Washington, Friday, July 29, 1955

TITLE 6-AGRICULTURAL CREDIT

Chapter III—Farmers Home Administration, Department of Agriculture

[Administration Letter 419 (440)]

PART 381-PRODUCTION EMERGENCY AND PROPERTY DAMAGE LOANS

CHANGE IN INTEREST RATE ON EMERGENCY LOANS

The introductory paragraph in § 381.6, Code of Federal Regulations (20 F. R. 363) is revised to change the interest rate on Emergency loans from 5 percent to 3 percent, and to read as follows:

§ 381.6 Rates and terms. On and after July 7, 1955, Production Emergency loans will bear interest from the date of the advance at the rate of 3 percent per annum on the unpaid principal balance. Such loans will be scheduled for repayment in accordance with the following policies:

(R. S. 161; 5 U. S. C. 22. Interprets or applies Pub Law 132, 84th Cong.)

Dated: July 25, 1955.

[SEAL]

R. B. McLeaish. Admınıstrator Farmers Home Administration.

[F. R. Doc. 55-6143; Filed, July 28, 1955; 8:47 a. m.]

TITLE 7—AGRICULTURE

Chapter I—Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

Subchapter C—Regulations and Standards Under the Farm Products Inspection Act

PART 70-GRADING AND INSPECTION OF POULTRY AND EDIBLE PRODUCTS THERE-OF AND UNITED STATES CLASSES, STAND-ARDS, GRADES WITH RESPECT AND THERETO

MISCELLANEOUS AMENDMENTS

The amendment to the regulations governing the grading and inspection of poultry and edible products thereof and United States classes, standards, and grades with respect thereto (7 CFR, Part 70) heremafter set forth, is hereby promulgated pursuant to authority contained in the Agricultural Marketing Act

of 1946 (60 Stat. 1087; 7 U.S. C. 1621 et seq.)

The amendment changes the form of application for inspection of canning and processing of inspected ready-tocook poultry in plants operating under Federal meat inspection service, and increases the survey charges to make them consistent with charges for surveys of other plants operating under poultry inspection. In addition, a clarifying change is made with respect to the information required in the grade mark.

It is hereby found that it is impractical, unnecessary and contrary to public interest to engage in public rule making procedures and to postpone the effective date of this amendment until 30 days after publication in the FEDERAL RECISTER for the reasons that: (1) Legislation pro-vides that fees shall be charged to cover, as nearly as possible, the cost of the service; the cost of the service is peculiarly within the knowledge of the Department and the charges set forth herein are necessary to cover such costs: (2) costs of performing the services have been increased by recent legislation increasing the salaries of Federal personnel, therefore, it is necessary that the charges for the services be increased as soon as practicable; (3) the clarifying change is in the nature of an interpretative rule; and (4) additional time is not required in order for the industry to make preparation for compliance with this amendment.

The amendment is as follows:

 Add a new subparagraph to paragraph (a) Charges in § 70.141 Inspection performed on a resident inspection basis, which reads as follows:

(13) A charge equal to the actual amounts reimbursed to the Agricultura Research Service by AMS, plus twentyfive (25) percent of such amounts to cover administrative overhead of AMS when inspectors of the Meat Inspection Branch, Agricultural Research Service are assigned to the designated plant for inspection of canning or processing of poultry food products. The charges provided for in this subparagraph are in lieu of the charges specified in subparagraphs (3) through (9) and subparagraph (11) of this paragraph. Paymen for the full cost of the inspection service rendered to the applicant shall be made by the applicant to AMS not later than

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fifteen (15) days from the date of billing. A charge will be made by AMS in the amount of one (1) percent per month or fraction thereof of any amounts remaining unpaid after 30 days from the date of billing.

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Chapter I.

Add the following sentence immediately following the second sentence of § 70.91 (b) "When the grade mark is applied to an individual carcass which is not individually packaged and labeled, the information with respect to the class of the poultry shall be included within the grade mark."

3. Add the following sentence immediately following the third sentence of \$ 70.381 Form of grade mark: "When the grade mark is applied to an individual carcass which is not individually packaged and labeled, the information with respect to the class of the poultry shall be included within the grade mark."

4. Add the following sentence immediately following the second sentence of § 70.383 Combined form of grade mark and inspection mark: "When the grade mark is applied to an individual carcass

which is not individually packaged and labeled, the information with respect to the class of the poultry shall be included within the combined grade mark and inspection mark."

- 5. Delete the words "in this part" in the first sentence of § 70.416 Application for inspection of poultry and edible products thereof for condition and wholesomeness, and insert in lieu thereof, "(7 CFR Part 70)"
- 6. Change § 70.417 Application for inspection of canning and processing of inspected ready-to-cook poultry in plants operating under federal meat inspection service to read as follows:

§ 70.417 Application for inspection of canning and processing of inspected ready-to-cook poultry in plants operating under federal meat inspection service.

Application is hereby made, in accordance with the applicable provisions of the regulations (7 CFR Part 70) governing the inspec-tion of poultry and edible products thereof for condition and wholesomeness at the following designated plant:

Name of plant _. Street address City and State _

In making this application the applicant agrees to comply with the terms and conditions of the aforesaid regulations (including but not being limited to such instructions governing inspection of products as may be issued, from time to time, by the Administrator). This application is made for inspection service to be performed on a resident inspection basis pursuant to subparagraphs (1), (2), (10), (12), and (13) of paragraph (a) and paragraph (b) of § 70.141, and such other provisions of the aforesaid regulations which are applicable.

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pplication gra		ate)

(Date) (Title)

(60 Stat. 1090; 7 U.S. C. 1624)

Issued at Washington, D. C., this 26th day of July 1955, to become effective upon publication in the Federal Register.

[SEAL] ROY W LENNARTSON, Deputy Administrator Agricultural Marketing Service.

[F. R. Doc. 55-6157; Filed, July 28, 1955; 8:51 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans Administration

PART 4—DEPENDENTS AND BENEFICIARIES CLAIMS

MISCELLANEOUS AMENDMENTS

1. In § 4.300, paragraphs (a) and (b) (3) are amended to read as follows:

§ 4.300 Basic requirements of service and death. (a) The servicemen's indemnity shall be payable based on active service rendered on or after June 27, 1950, where death occurred in active service or, except as to service under subparagraph (2) of this paragraph, where death occurred within 120 days after separation or release from active service, if the serviceman had been called to extended active duty, including a call to active duty for training purposes, for a period exceeding 30 days. The additional 120-day coverage extends to any serviceman called to active service for a period exceeding 30 days, notwithstanding the fact that any such person may have been separated or released from such active service prior to having served for a period exceeding 30 days. The date of discharge or release from service is not to be included in computing the 120-day period. The character of separation or release from active service is not material. See, however, § 4.316. For the purposes of death in active service, the following service is included: (1) Active service in the Army (in-

cluding Philippine Scout Service), Navy, Air Force, Marine Corps, and Coast Guard, or active service, including active duty for training purposes, in the Reserve components thereof. (In time of national emergency, the National Guard organizations or units of the various States, territories, and the District of Columbia may be mustered into the Federal service in answer to a call or order of the President of the United States. Service rendered after muster into the Federal Service is as a member of the Army or Air Force. When serving on such extended active duty in the Army or Air Force, the entitlement of guardsmen to indemnity is the same as that of the Regular Establishment and the Reserve components of the Armed Forces on extended active duty. Scheduled training duty by a member of the National Guard preliminary or preparatory to muster into the active Federal service. does not constitute active Federal service in the Armed Forces. Members of the regular Naval Reserve Officers Training Corps (NROTC) who are appointed midshipmen are not covered while undergoing scholastic instruction during the regular school term, but are covered when on active duty for training as a member of a Reserve component during the annual practice cruise or the annual training period, and during the time required for travel in connection with such training from the NROTC Unit to the port of embarkation or to the summer training station and return, when such travel is performed under competent orders. For coverage of contract NROTC, ROTC, and AFROTC, see subparagraph (2) of this paragraph)

(2) Members of the Reserve Officers Training Corps (Army ROTC) contract Naval Reserve Officers' Training Corps (NROTC) and Air Force Reserve Officers' Training Corps (AFROTC) when called or ordered to active training duty for 14 days or more, where death occurs on or after June 27, 1950, while on such active training duty. Coverage of these categories is limited to deaths which occur while on such active train-

ing duty, and does not extend for 120 days after separation or release from duty even though the person may have been called or ordered to such duty for a period exceeding 30 days. They are not covered while undergoing scholastic training or inactive training duty. They are covered during a period of travel en route to or from active training duty only if such travel is performed under competent orders; for example, travel to or from the port of embarkation or training station for the annual practice cruise or annual training period.

(3) National Guard when called to active duty or active training duty for 14 days or more under sections 5, 81, 92, 94, 97, and 99 of the National Defense Act (act of June 3, 1916) as amended. For indemnity coverage, duty must be performed in the interests of the Federal Government, purely State duty being excluded. Accordingly, National Guardsmen called to active duty by the Governor of a State in connection with an emergency, such as flood relief, to quell a riot, or to impose martial law,

are excluded.

(4) Cadets and midshipmen at the United States Military, Naval, Coast Guard, and Air Force Academies.

(5) Commissioned officers of the Public Health Service, regular and reserve, while entitled to full military benefits, as provided in section 212 (a) Public Law 410, 78th Congress, as amended, i. e., (i) while detailed for duty with the Army, Air Force, Navy, Marine Corps, or Coast Guard, or (ii) while serving on active duty in time of war outside the continental limits of the United States, or in Alaska, or (iii) while serving on active duty in time of war and following the issuance of an Executive order declaring the entire Commissioned Corps of the Public Health Service a part of the military forces of the United States. (The Commissioned Corps of the Public Health Service, by virtue of Executive Order 9575, published June 29, 1945, was a part of the military forces of the United States on June 27, 1950, which status continued through July 3, 1952, by virtue of Executive Order 10349, dated April 26, 1952; Executive Order 10356, dated May 29, 1952; Executive Order 10362, dated June 14, 1952; and Executive Order 10367, dated June 30, 1952, Service on and after July 4, 1952, must meet the requirements of subdivision (i) of this subparagraph.)

(6) Commissioned officers of the Coast and Geodetic Survey, while assigned to duty during a period of war or an emergency as proclaimed by the President or the Congress on projects for the Army, Navy, or Air Force in areas outside the continental United States, or in Alaska, or in coastal areas of the United States determined by the Department of Defense to be of immediate military hazard.

(3) Registrants (selectees) under the Selective Service Act of 1948, as amended (designated as the "Universal Military Training and Service Act" by Public Law 51, 82d Cong.), who on or after June 27, 1950, in response to an order to report for induction into the Armed Forces and who, after reporting to a local draft board, died or dies as the result of disability incurred while en route from such

¹No Member of or Delegate to Congress. or Resident Commissioner, shall be admitted to any benefit that may rise from this service unless derived through service rendered a corporation for its general benefit.

draft board to a designated induction station and within 120 days after the incurrence of such disability. (Registrants (selectees) ordered to report direct to the induction station instead of first reporting to the local draft board are included and shall be deemed to have reported to the local draft board from the moment they actually start en route to the designated induction station on the specified date in obedience to that order. Coverage of registrants (selectees) is limited to those who have died or shall die as a result of disability incurred while en route from the place of assembly or draft board to the induction station, and does not extend to travel to the place of assembly or draft board or to the period after rejection, including the return trip.)

2. A new § 4.305 is added as follows:

§ 4.305 Testamentary disposition. A beneficiary designation, but not a change of beneficiary may be made by last will and testament duly probated. If there was a beneficiary designated for indemnity and such beneficiary survived the veteran, the question as to whether the serviceman died testate is not material. A general or residuary clause of a will without specific reference to indemnity will not constitute a beneficiary designation, in itself. A determination may be made, however, as to whether all the evidence, including the will, would be sufficient to establish such a designation.

3. A new § 4.307 is added as follows:

§ 4.307 Unexplained absence of a beneficiary for seven years. In the event that evidence as provided in § 3.55 of this chapter to establish death of a beneficiary cannot be furnished, if satisfactory evidence is produced establishing the fact of continued and unexplained absence of any individual from his home and family for a period of 7 years and that after diligent search no evidence of his existence after date of disappearance has been found or otherwise received, the death of such absentee as of the date of expiration of such period may be considered as sufficiently proved. No State law providing for presumption of death shall be applicable. The finding of death made by the Administrator of Veterans Affairs shall be final and conclusive.

(56 Stat. 325; 38 U.S. C. 32a)

4. In § 4.310, paragraph (a) amended to read as follows:

§ 4.310 Amount of indemnity payable. (a) If at the date of death the serviceman had no National Service life insurance or United States Government life insurance in force, the indemnity will be paid in the principal amount of \$10,000. If the serviceman had United States Government life insurance or National Service life insurance, or a combination of both, in force in an amount less than \$10,000, the indemnity will be paid in the principal amount of \$10,000 minus the face value of the insurance in force at the date of death. If United States Government life insurance, National Service life insurance, or a combination of both, having a face value of \$10,000 was in force at the date of death, the indemnity will not be payable. In determining the amount of indemnity payable where insurance ceased to be in force prior to date of death, it is immaterial whether such cessation occurred prior to or during service or during the 120-day period (if applicable) after separation or release from service.

5. Sections 4.314, 4.316, and 4.318 are revised to read as follows:

§ 4.314 Commencing date of payments. (a) Payment to the beneficiary or beneficiaries first receiving payment shall begin as of the date of the death of the serviceman. Payment to the beneficiary or beneficiaries receiving installments following the death of the first beneficiary or beneficiaries, or any subsequent beneficiary or beneficiaries, shall begin with the monthly payment date next following the death of the previous payee.

(b) Where indemnity has been paid to a person who is subsequently determined not to have been entitled to such payments, the award will be adjusted as follows:

(1) If the award action was proper at the time it was made because of the absence of evidence and claim by the correct beneficiary and the evidence in the possession of the Government (the Veterans Administration or a service department) clearly indicated that the person to whom the award was made was the person to whom benefits were payable, the Veterans Administration shall be protected in all payments made and only the remaining unpaid installments shall be awarded to the proper beneficiary.

(2) If the award was not correct at the time it was made on the basis of evidence in the possession of the Veterans Administration, or on the basis of information as to designation or change of designation of beneficiary in the possession of a service department, the award will be terminated as of the date of commencement, and the award to the proper beneficiary will be made to commence as if the prior award had not been approved. (65 Stat. 33; 38 U.S. C. 851-858)

§ 4.316 Forfeiture—(a) Serviceman, guilty of specific offenses. Any serviceman who is guilty of mutiny, treason, spying, or desertion, or who because of conscientious objections refuses to perform services in the land or naval forces of the United States, or refuses to wear the uniform of such force, forfeits all right to an indemnity under this act: Provided, That restoration to active duty after commission of any such offense restores all rights to the indemnity. The words "guilty of" as used in the statute do not have the same significance as "convicted of" and a service department finding is not a condition precedent to forfeiture. An administrative finding by the Veterans Administration of guilt of any of the offenses enumerated in this paragraph where a preponderance of the evidence supports or warrants said finding will be made notwithstanding the fact that there has not been a conviction of said offense. A forfeiture of rights is a responsibility which must be exercised

with extreme care and the facts must be evaluated with prudence so that no injustice will be done. As a matter of policy a service department report of "desertion" will be accepted as a determination of guilt for the purpose of forfeiture and a formal finding by the Veterans Administration is not required. Absence without leave, as such, is not an offense for which rights to indemnity are forfeited. Even though a serviceman was last reported in an absent without leave status, an administrative finding of desertion is not precluded where a preponderance of the evidence establishes the elements of desertion including intent to desert.

(b) Serviceman, death inflicted as lawful punishment. No indemnity is payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States. The word "punishment" means the infliction of the death penalty under authority of law and the judgment and sentence of a civilian

or military court.

(c) Beneficiary; guilty of treasonable acts. Any person shown by evidence satisfactory to the Administrator of Veterans Affairs to be guilty of mutiny, treason, sabotage or rendering assistance to an enemy of the United States or of its allies shall forfeit all accrued and future payments of servicemen's indemnity. (Sec. 4, Public Law 144, 78th

Cong.)

(d) Beneficiary; wrongful and intentional killing of serviceman or of a beneficiary by a beneficiary.—(1) General. Wrongful and intentional killing is one in which the death is caused without justification or excuse. Justification or excuse may be found if it is established that the death was the result of an accident, or the killing was the result of selfdefense, or accomplished while the person causing death was insane. If it is established as a fact that a beneficiary procured, encouraged, or induced an-other to take the life of the veteran or of another beneficiary, or participated as an accomplice in the homicide, or otherwise aided and abetted the person causing the death, indemnity that might otherwise be payable may not be paid to such beneficiary.

(2) Killing of veteran. Any beneficiary who wrongfully and intentionally causes the death of a serviceman shall not be entitled to receive any indemnity payable by reason of such death. The indemnity will be settled as though the serviceman were not survived by the beneficiary who caused his death.

(3) Killing of a beneficiary by a bencficiary. Any beneficiary who wrongfully causes the death of another beneficiary shall not be entitled to any part of the indemnity to which the deceased beneficiary was entitled and would have received or continued to have received but for death. Entitlement of a beneficiary by reason of the death of any person other than the person whose death he caused is not affected.

(Sec. 8, 65 Stat. 35; 38 U. S. C. 857)

Assignments. § 4.318 (a) Assignment of all or any part of the beneficiary's interest may be made by a

beneficiary to any other person or persons within the permitted class of beneficiaries as specified in § 4.302, if all other persons having contingent rights of equal or greater priority to those of the assignee join in the assignment. Such an assignment shall not affect any payments made prior to its receipt by the Veterans Administration. Assignments may be made at any time subsequent to the death of the serviceman regardless of whether any installments have been paid. In the event of the death of the assignee prior to receiving all installments, the remaining installments will become payable to the person(s) surviving in the permitted class set forth in § 4.302 and in the order of preference named in that section. The privilege of assignment is available to persons whose title arises through devolution as well as to persons who are designated beneficiaries.

(b) Subject to the provisions of para-

graph (a) of this section:

(1) An assignment by one under the age of majority is valid only if there has been emancipation of such person to an extent which embraces the act performed.

(2) Assignment may be made by a person having potential entitlement (the assignment in such instances being in the nature of a quit-claim)

(3) A valid assignment may be made to veteran's natural mother or father where others have qualified as beneficiaries to the exclusion of either under the definition of the term "parent" in section 3 of the Servicemen's Indemnity Act of 1951.

(Sec. 9, 65 Stat. 35; 38 U. S. C. 858)

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. 11a, 426, 707)

This regulation is effective July 29, 1955.

[SEAL] J. C. PALMER,
Assistant Deputy Administrator

[F. R. Doc. 55-6152; Filed, July 28, 1955; 8:50 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEM-ICALS IN OR ON RAW AGRICULTURAL COMMODITIES

TOLERANCE FOR RESIDUES OF CAPTAN

Captan is the common name for the fungicide chemical N-trichloromethyl mercapto-4-cyclohexene-1,2-dicarboximide.

On April 26, 1955, a petition was filed with the Food and Drug Administration requesting the establishment of tolerances for residues of captan on certain raw agricultural commodities. On June 29, 1955, the petitioner withdrew its request for tolerances on certain of these raw agricultural commodities without prejudice to a future filing.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purpose for which a tolerance is being established.

After due consideration of the data submitted in the petition and other relevant material which show that the tolerance established in this order will protect the public health, and by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (2) 68 Stat. 512; 21 U.S. C. 346a (d) (2)) and delegated to the Commissioner of Food and Drugs (20 F. R. 759) the following amendment is promulgated:

Part 120 is amended by adding the following new section:

§ 120.103 Tolerance for residues of captan. A tolerance of 20 parts per million is established for residues of captan (N-trichloromethyl mercapto-4-cyclo-hexene-1,2-dicarboximide) in or on the raw agricultural commodities apples, apricots, cantaloups, cherries, cucumbers, eggplant, grapefruit, grapes, lemons, limes, mangoes, nectarines, oranges, peaches, pears, peppers, pineapple, plums, prunes, pumpkin, quinces, summer squash, strawberries, tangerines, tomatoes, watermelon, winter squash.

Any person who will be adversely affected by the foregoing order may, at any time prior to the thirtieth day from the effective date of this order, file with the Hearing Clerk, Department of Health, Education, and Welfare Building, 330 Independence Avenue SW., Washington 25, D. C., written objections thereto. Objections shall show with particularity wherein the person filing will be adversely affected by the order, shall specify the provisions of the order deemed objectionable and reasonable grounds for the objections, and may request a public hearing upon the objections. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective upon publication in the Federal

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371. Interprets or applies sec. 408, 68 Stat. 512; 21 U. S. C. 346a)

Dated: July 25, 1955.

[SEAL] GEO. P. LARRICK, Commissioner of Food and Drugs.

[F. R. Doc. 55-6150; Filed, July 28, 1955; 8:49 a. m.]

PART 120—TOLERANCES AND EXEMPTIONS
FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL
COMMODITIES

EXTENSION OF TOLERANCE FOR HEPTACHLOR (1,4,5,6,7,8,8 - HEPTACHLORO - 30,4,7,7a-TETRAHYDRO - 4,7 - METHANOINDENE) ON CERTAIN RAW AGRICULTURAL COMMODITIES

On March 2, 1955, a petition was filed with the Food and Drug Administration

requesting the extension of the tolerance for residues of heptachlor on certain raw agricultural commodities. Later, the request for the extension of the tolerance to some of the commodities was withdrawn without prejudice to a future filing and was amended with respect to some other commodities.

The Secretary of Agriculture has certified that the pesticide chemical is useful for the purposes for which the tolerance is being extended.

After due consideration of the data submitted in the petition and other relevant material which show that the extension of the tolerance in this order will protect the public health, and by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (2) 68 Stat. 512; 21 U. S. C. 346a (d) (2)) and delegated to the Commissioner of Food and Drugs (20 F. R. 759), the following amendment is promulgated:

Part 120 is amended by adding the following new section:

§ 120.104 Extended tolerance for residues of heptachlor (1,4,5,6,7,8,8-heptachloro-3a,4,7,7a-tetrahydro-4,7-methanoindene) The tolerance of 0.1 part per million for residues of heptachlor (§ 120.101 (e) (61) 20 F. R. 1507) is extended to include the following raw agricultural commodities: Alfalfa, clover, sweet clover; beets (including sugar beets;) cabbage, hrussels sprouts, kohlrabi, cauliflower; corn; cotton; pasture and range grass; onlons; peanuts; sugarcane; sweetpotatoes; turnips with tops and rutabagas (yellow turnips) without tops.

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the effective date of this order file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D. C., written objectives thereto. Objections shall show wherein the person filing will be adversely affected by the order, shall specify with particularity the provisions of the order deemed objectionable and reasonable grounds for the objections, and may request a public hearing upon the objections. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective upon publication in the Federal Register.

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371. Interprets or applies sec. 403, 68 Stat. 512; 21 U. S. C. 346a)

Dated: July 25, 1955.

[SEAL] GEO. P. LARRICK, Commissioner of Food and Drugs.

[F. R. Doc. 55-6151; Filed, July 28, 1955; 8:50 a. m.]

- PART 141a—PENICILLIN AND PENICILLIN-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY
- PART 141b—STREPTOMYCIN (OR DIHYDRO-STREPTOMYCIN) AND STREPTOMYCIN-(OR DIHYDROSTREPTOMYCIN-) CONTAIN-ING DRUGS; TESTS AND METHODS OF ASSAY
- PART 141c CHLORTETRACYCLINE (OR TETRACYCLINE) AND CHLORTETRACYCLINE- (OR TETRACYCLINE-) CONTAINING DRUGS; TESTS AND METHODS OF ASSAY
- PART 141d CHLORAMPHENICOL AND CHLORAMPHENICOL-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY
- PART 141e—BACITRACIN AND BACITRACIN-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY

MISCELLANEOUS AMENDMENTS

By virtue of the authority vested in the Secretary of Health, Education, and Welfare by the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended by 61 Stat. 11, 63 Stat. 409, 67 Stat. 389 sec. 701, 52 Stat. 1055 21 U. S. C. 357, 371) and delegated to the Commissioner of Food and Drugs by the Secretary (20 F R. 1996) the regulations for tests and methods of assay for antibiotic and antibiotic-containing drugs (21 CFR, 1954 Supp., Parts 141a, 141b, 141c, 141d, 141e) are amended as indicated below

- 1. Section 141a.5 Sodium penicillin

 * * * is amended in the following respects:
- a. Paragraph (a) is changed to read as follows:
- (a) Moisture. In an atmosphere of about 10 percent relative humidity, transfer about 100 milligrams of the finely powdered sample to a tared weighing bottle or weighing tube equipped with a capillary-tube stopper, the capillary having an inside diameter of 0.20 millimeter-0.25 millimeter. Weigh the bottle or tube and place it in a vacuum oven without removing the stopper and dry at a temperature of 60° C. and a pressure of 5 millimeters of mercury or less for 3 hours. At the end of the drying period, fill the vacuum oven with air dried by passing it through a drying agent such as sulfuric acid or silica gel. Place weighing bottle or tube in a desiccator over a desiccating agent such as phosphorous pentoxide or silica gel, allow to cool to room temperature, and reweigh.
- b. In paragraph (e) Crystalline penicillin G, subparagraph (1) Reagents is amended by changing subdivision (i) to read as follows:
- (i) Amyl acetate (iso-amyl acetate) solution. Saturate the amyl acetate (boiling range 138.5°-141.5° C.) with the N-ethyl piperidine salt of penicillin G by adding 2 milligrams of the salt for each 1.0 milliliter of the solvent. Cool this solution to 0°-8° C. and filter it through a sintered-glass filter immediately before use.
- c. In paragraph (e) (1), subdivision (ii) Acetone solution is amended by changing the last sentence to read as follows: "Cool this solution to $0^{\circ}-8^{\circ}$ C.

- and filter it through a sintered-glass filter immediately before use."
- d. In paragraph (e) (1) subdivision (iii) is revised to read as follows:
- (iii) N-ethyl piperidine solution. N-ethyl piperidine (boiling range 129.5°–131.0° C.) should be stored in brown bottles in a refrigerator. Dilute 1.0 milliliter of this reagent with 4.0 milliliters of amyl acetate. Saturate this solution with the N-ethyl piperidine salt of pencillin G, using about 3 milligrams of the salt for each 1.0 milliliter of solution. Cool this solution to 0°–8° C. and filter it through a sintered-glass filter immediately before use.
- e. In paragraph (e) (1) subdivision (v) is changed to read as follows:
- (v) Silica gel. Use dry silica gel (mesh size 6-16, Tyler standard) Place about 0.5 gram of the silica gel in a micro filter funnel (approximately 10-millimeter diameter) having a fritted-glass disc of medium porosity.
- f. In paragraph (e) subparagraph (2) Procedure is amended by changing the fifth, sixth, and seventh sentences to read as follows: "After centrifuging, remove as much of the amyl acetate layer as possible (usually about 1.7 milliliters—1.8 milliliters) with a 2-milliliter hypodermic syringe equipped with a suitable needle, and add it to the filter funnel containing the silica gel. Allow the amyl acetate to remain in contact with the silica gel for exactly 20 seconds, then a small test tube placed in a suction flask surrounded by cracked ice."
- 2. Section 141a.8 is revised to read as follows:
- § 141a.8 Penwillin ountment—(a) Potency. Proceed as directed in § 141a.1, except paragraph (i) of that section, and in lieu of the directions in § 141a.1 (d) prepare the sample by one of the following techniques:
- (1) Extraction. Place a representative portion of the sample (usually approximate 1 gram, accurately weighed) or the entire contents of a single-dose container in a separatory funnel containing 50 milliliters of peroxide-free ether. If the sample consists of substantially more than 1 gram, use 100 milliliters of peroxide-free ether. Shake the sample and ether until homogeneous. Add 25 milliliters of 1-percent phosphate buffer, pH 6.0, and shake. If the sample consists of substantially more than 1 gram, use 50 milliliters of buffer. Allow the layers to separate. Remove the buffer layer and repeat the extraction with new portions of buffer at least three times and any additional times necessary to ensure complete extraction of the antibiotic. Combine the extractives and make the proper estimated dilutions with buffer.
- (2) Blending. Place an accurately weighed representative portion of the sample (usually approximately 1 gram) or the entire contents of a single-dose container, in a blending jar containing 1.0 milliliter of a 10-percent aqueous solution of polysorbate 80 and sufficient 1-percent phosphate buffer, pH 6.0, to give a final volume of 200 milliliters. If

- the sample consists of substantially more than 1 gram, use sufficient buffer to give a final volume of 500 milliliters. Using a high-speed blender, blend the mixture for 2 minutes and then make the proper estimated dilutions with buffer. Its content of penicilin is satisfactory if it contains not less than 85 percent of the number of units that it is represented to contain.
- (b) Moisture. Proceed as directed in § 141a.7 (c) using a weighed sample of approximately 1 gram dissolved in 10 milliliters of a mixture of equal parts of dry chloroform and carbon tetrachloride, but in lieu of calculating the milliliters of Karl Fischer reagent equivalent to 10 milliliters of chloroform, determine the milliliters of reagent equivalent to 10 milliliters of the mixture of chloroform and carbon tetrachloride.
- 3. In § 141a.9 Penwillin tablets, paragraph (a) (2) is amended to read as follows:
 - (a) Potency. * * *
- (2) Tablets that contain benzathine penncillin G. Proceed as directed in § 141a.1, except paragraph (i) of that section, and in lieu of the directions in § 141a.1 (d) prepare the sample as follows: Grind 6 tablets, using a mortar and pestle, and add sufficient formamide or dimethyl formamide (previously adjusted, if necessary, to pH 6 to 7 with a few drops of concentrated H.SO4 per liter) to give a concentration of not more than 15,000 units per milliliter. Allow to stand for ½ hour, with frequent agitation, then make the proper estimated dilutions in 1-percent phosphate buffer at pH 6.0.

The average potency of penicillin tablets is satisfactory if they contain not less than 85 percent of the number of units per tablet that they are represented to contain.

- 4. In § 141a.17 Penicillin sulfonamide powder paragraph (a) Potency is amended by changing the number "12" to read "the"
- 5. Section 141a.32 is revised to read as follows:
- § 141a.32 Procume penicillin and buffered crystalline penicillin for aqueous injection—(a) Total poténcy (except in single-dose container) sterility, moisture, pyrogens, toxicity, pH. Proceed as directed in § 141a.29.
- (b) Buffered crystalline penicillin content—(1) Preparation of the solution for assay. Add the indicated amount of distilled water to the contents of a vial of the sample, and shake well. Withdraw one dose of the suspension with a hypodermic syringe and place in a 10milliliter volumetric flask. Add 20-percent sodium sulfate solution almost to the mark, centrifuge sufficiently to see the meniscus, make to volume with 20-percent sodium sulfate solution, shake well, and centrifuge to obtain a clear or reasonably clear solution. Dilute a 5.0milliliter aliquot of this clear solution with 1-percent phosphate buffer, pH 6.0, to give a solution for assay of approximately 2,000 units per milliliter.
- (2) Iodometric assay for total penicillin in the solution for assay. Deter-

mine the quantity of penicillin in the solution for assay by the iodometric assay procedure described in § 141a.5 (d) (1)

(3) Colorimetric determination of procaine penicillin in the solution for assay. Transfer an aliquot of the solution for assay to a 50-milliliter volumetric flask. Determine the quantity of procaine penicillin in this solution by the following method:

(i) Reagents—(a) Sodium nitrite solution. Dissolve 0.1 gram of sodium nitrite in 100 milliliters of distilled water. Prepare fresh solution every week and store under refrigeration.

(b) Ammonium sulfamate solution. Dissolve 0.5 gram of ammonium sulfamate in 100 milliliters of distilled water

and store under refrigeration.

(c) N-(1-naphthyl)-ethylenediamine solution. Dissolve 0.1 gram of N-(1-naphthyl)-ethylenediamine d1hydro-chloride in 100 milliliters of distilled water. Prepare fresh solutions every week and store under refrigeration.

(d) Standard procaine solution. Prepare a standard solution containing 27.55 milligrams of procaine hydrochloride U.S. P in a liter of distilled water (each milliliter of the standard solution is equivalent to 60 units of procaine penicillin)

(ii) Standards. Transfer, respectively, 1.0, 2.0, 3.0, 4.0, and 5.0 milliliters of the standard solution and 5.0 milliliters of distilled water to each of six 50-milliliter volumetric flasks. Add 4.0, 3.0, 2.0, and 1.0 milliliters of water to the first four flasks, respectively, to give each a volume of 5.0 milliliters.

(iii) Procedure. To each flask of the standards and the solution for assay add 5.0 milliliters of 4 N HCl, 1.0 milliliter of the sodium nitrite solution, 1.0 milliliter of the ammonium sulfamate, and 1.0 milliliter of the N-(1-naphthyl)-ethylenediamine solution. Mix and wait two minutes after each addition. Make each flask to volume of 50 milliliters with distilled water. Determine the absorbancy of the colored solutions at 550 m μ in a suitable photo electric colorimeter. The instrument is balanced so that the zero concentration reads zero absorbancy. Plot the standard curve on coordinate graph paper. Obtain the procaine penicillin content of the solution for assay directly from the point on the standard curve corresponding to its absorbancy.

(4) The content of buffered crystalline penicillin in one dose of the product is calculated as follows:

$$A=(B-C)F$$

where

A= buffered crystalline penicillin content of the product.

B= total number of units of penicillin per milliliter as determined in subparagraph (2) of this paragraph.

C= number of units of procaine penicillin per milliliter as determined in subparagraph (3) of this paragraph. F= appropriate dilution factor depending

F= appropriate dilution factor depending on the dilution made in the preparation of the solution for assay.

The content of buffered crystalline penicillin in the batch is satisfactory when determined by the method described in this paragraph if it is not less than 85 percent of that which it is represented to contain.

- (c) Procaine penicillin. The procaine penicillin content of the batch is the difference between the total potency determined by the method described in paragraph (a) or (d) of this section and the content of the buffered crystalline penicillin determined by the method described in paragraph (b) of this section. The procaine penicillin content of the batch is satisfactory when determined by the method described in this paragraph if it is not less than 85 percent of that which it is represented to contain.
- (d) Total potency of a one-dose con-Wash out the material remaintarner ing in the 10-milliliter volumetric flask referred to in paragraph (b) (1) of this section with 1-percent phosphate buffer. pH 6.0. Dilute to give a concentration of approximately 2,000 units per milliliter, and assay by the iodometric method described in § 141a.5 (d) (1) Obtain the total potency by adding the number of units found in this solution (units per milliliterxvolume) to the number of units found (units per milliliter%volume) in the solution assayed in accordance with paragraph (b) (2) of this section.
- 6. Section 141a.35 Pencillin-streptomyoun outment * * * is amended in the following respects:
- a. In paragraph (a) Potency, subparagraph (1) Penicillin content is amended by changing the first sentence to read as follows: "Proceed as directed in § 141a.8 (a)"
- b. Paragraph (a) (2) is changed to read as follows:
- (2) Streptomycm content. Proceed as directed in § 141b.101 of this chapter, except paragraph (k) of that section, and in lieu of the directions in § 141b.101 (e) and (j) (3) test a representative portion of the sample (usually approximately 1 gram, accurately weighed) or the entire contents of a single-dose container prepared by one of the following methods:

(i) To assay by the cup-plate method. Use either extraction or blending.

- (a) Extraction. Place the sample in a separatory funnel containing approximately 50 milliliters of peroxide-free ether. If the sample consists of substantially more than 1 gram, use 100 milliliters of ether. Shake the sample and ether until homogeneous. Add 20 milliliters of 0.1 M potassium phosphate buffer, pH 8.0, and shake. If the sample consists of substantially more than 1 gram, use 50 milliliters of buffer. Allow the layers to separate. Remove the buffer layer and repeat the extraction with new portions of buffer at least three times and any additional times necessary to ensure complete extraction of the antibiotic. Combine the extractives and make up to an appropriate measured volume with buffer. To a suitable aliquot add sufficient penicillinase and let stand for 30 minutes at 37° C. to inactivate the penicillin. After inactivation, make the proper estimated dilution with buffer at pH 8.0.
- (b) Blending. Place the sample in a blending jar containing 1.0 milliliter of 10-percent aqueous solution of polysor-

- bate 80 and sufficient 0.1 M potassium phosphate buffer, pH 8.0, to give a final volume of 500 milliliters. Using a high-speed blender, blend the mixture for 3 minutes. To a suitable aliquot, add sufficient penicillinase and let stand for 30 minutes at 37° C. to inactivate the penicillin. After inactivation, make the proper estimated dilutions with buffer at pH 8.0.
- (ii) To assay by the turbidimetric method. Place the sample in a separatory funnel containing approximately 50 milliliters of peroxide-free ether. If the sample consists of substantially more than 1 gram, use 100 milliliters of ether. Shake the sample and ether until homogeneous. Add 20 milliliters of distilled water, and shake. If the sample consists of substantially more than 1 gram. use 50 milliliters of water. Allow the layers to separate. Remove the aqueous layer and repeat the extraction with new portions of water at least three times and any additional times necessary to ensure complete extraction of the antibiotic. Combine the extractives, and make to an appropriate measured volume with water. Remove the aliquot and, if the ratio of the content of penicillin to the content of streptomycin is equal to or greater than one unit for each microgram, add sufficient penicillinase and let stand for 30 minutes at 37° C. to inactivate the penicillin. Make the proper estimated dilutions with distilled water. Its content of streptomycin is satisfactory if it contains not less than 85 percent of the number of milligrams that it is represented to contain.
- 7. In § 141.a45 *l-Ephenamine penicillin G for aqueous injection*, paragraph (b) Sterility is changed to read as follows:
- (b) Sterility. Proceed as directed in § 141a.2, except that prior to sterilization add 0.5 milliliter of polysorbate 20 to each tube of thicglycolate and Sabouraud medium. After sterilization, add sufficient penicillinase to each tube of Sabouraud medium to completely inactivate the panicillin used in the test. During the period of incubation, shake the tubes once daily until solubilization is achieved.
- 8. Section 141a.61 is revised to read as follows:
- § 141a.61 Benzathine-procame-buffered crystalline penicillins for aqueous injection-(a) Potency-(1) Total potency. Proceed as directed in § 141a.1, except if the bloassay method is used prepare the sample by diluting one dose of the drug suspension with sufficient dimethyl formamide or formamide to dissolve the benzathine penicillin G. Make to 100 milliliters with 1-percent phosphate buffer, pH 6.0. Shake well, and dilute to 1.0 unit per milliliter with buffer. If the iodometric method of assay is used, add the indicated amount of distilled water to the contents of a vial of the sample, shake well, and proceed as follows (except for single-dose containers)
- (i) Using a standardized hypodermic syringe, withdraw one dose and dilute with 1-percent phosphate buffer, pH 6.0, to give a concentration of approximately

2.000 units per milliliter. Use 2.0 milliliters of this suspension as the blank in the iodometric assay procedure described in § 141a.5 (d) (1)

- (ii) Using a standardized hypodermic syringe, withdraw another dose, place in a flask, and add 20 milliliters of 0.5 N NaOH for each 300,000 units of benzathine penicillin, mix well, being sure that all penicillin is in solution, and allow to stand for 15 minutes. Add 1 milliliter of 1.2 N HCl for each 2 milliliters of 0.5 N NaOH, mix, and dilute with distilled water to the same volume as was used in subdivision (i) of this subparagraph. Place 2.0 milliliters in a 125-milliliter glass-stoppered Erlenmeyer flask, add 10 milliliters of 0.01 N 10dine, allow to stand for 15 minutes, and titrate with 0.01 N sodium thiosulfate as directed in the 10dometric assay procedure in § 141a.5 (d) (1) The total potency of the batch is satisfactory if it contains not less than 85 percent of that which it is represented to contain.
- (2) Procaine penicillin content (except for single-dose containers) Make suitable dilutions of the solution prepared in subparagraph (1) (ii) of this paragraph to obtain approximately 60 units of procaine penicillin per milliliter. Determine the procaine penicillin content by the colorimetric procedure described in § 141a.32 (b) (3) The content of procaine penicillin is satisfactory if it contains not less than 85 percent of the number of units that it is represented to contain.
- (3) Buffered crystalline penicillin content—(i) Preparation of the solution for assay. (a) Add the indicated amount of distilled water to the contents of a vial of the sample, and shake well. Withdraw one dose of the suspension with a hypodermic syringe and place in a 10milliliter volumetric flask. Add 20-percent sodium sulfate solution almost to the mark, centrifuge sufficiently to see the meniscus, make to volume with 20percent sodium sulfate solution, shake well, and centrifuge to obtain a clear or reasonably clear solution, or

(b) If the original product contains more than 600,000 units, place it in a 50-milliliter volumetric flask, add 20percent sodium sulfate to the mark, shake well, place a 10-milliliter portion in a centrifuge tube, and centrifuge to obtain a reasonably clear solution.

(c) Dilute a 5.0-milliliter aliquot of the clear solution obtained in (a) or (b) of this subdivision with 1-percent phosphate buffer, pH 6.0, to give a solution for assay of approximately 2,000 units per milliliter.

(ii) Iodometric assay for total penicillin in the solution for assay. Determine the total quantity of penicillin in the solution for assay by the iodometric assay procedure described in § 141a.5 (d) (1)

(iii) Colorimetric determination of procaine penicillin in the solution for assay. Proceed as directed in § 141a.32 (b) (3) The content of procaine penicillin in the batch is satisfactory if it is not less than 85 percent of that which it is represented to contain.

(iv) The buffered crystalline penicillin in one dose of the product is calculated as

follows:

A=(B-C)F

where

A=the buffered crystalline penicillin content of the product.

B= the number of units of penicillin per milliliter as determined in subparagraph (3) (ii) of this paragraph.

C= the number of units of procaine peni-cillin per milliliter as determined in subparagraph (3) (iii) of this paragraph.

F=the appropriate dilution factor depending on the dilutions made in the preparation of the solution for assay.

The content of buffered crystalline penicillin is satisfactory if the batch contains 85 percent of the number of units per milliliter that it is represented to contain.

- (4) Benzathine penicillin content. The sum of the procame penicillin content determined under subparagraph (2) or (6) of this paragraph and the buffered crystalline penicillin content determined under subparagraph (3) of this paragraph, subtracted from the total potency determined in subparagraph (1) or (5) of this paragraph, represents the benzathine penicillin G content. The benzathine penicillin G content is satisfactory if it is not less than 85 percent of the number of units that it is represented to contain.
- (5) Total potency of a single-dose container Wash out the material remaining in the volumetric flask referred to in subparagraph (3) (i) (a) of this paragraph, or combine the contents remaining in the 50-milliliter volumetric flask and in the centrifuge tube referred to in subparagraph (3) (i) (b) of this paragraph. Dissolve the material by adding 10 milliliters of 1 N NaOH for each 300,000 units of benzathine penicillin and allow to stand 15 minutes. Add 1 milliliter of 1.2 N HC1 for each milliliter of 1 N NaOH and then dilute with distilled water to give a concentration of approximately 2,000 units per milliliter. Place 2.0 milliliters in a 125milliliter glass-stoppered Erlenmeyer flask, add 10 milliliters of 0.01 N rodine, allow to stand for 15 minutes, and then titrate with 0.01 N sodium thiosulfate as directed in § 141a.5 (d) (1) For the blank determination prepare a separate sample as directed in subparagraph (3) (i) (a) or (b) of this paragraph and in the first sentence of this subparagraph. then dilute with 1 percent phosphate buffer, pH 6.0, to give a concentration of approximately 2,000 units per milliliter. The total potency of the one-dose container is equal to the sum of the number of units found in this assay (units per milliliter xvolume) and the number of units found (units per milliliter Xvolume) in the solution for assay in subparagraph (3) (ii) of this paragraph.
- (6) Procaine penicillin content of a single-dose container Make suitable dilutions of the NaOH-mactivated solution prepared in subparagraph (5) of this paragraph to obtain approximately 60 units of procame penicillin per milliliter. Determine the procaine penicillin content (units per milliliter× volume) of this solution by the colorimetric procedure described under § 141a.32 (b) (3) To this value add the procame penicillin content (units

per milliliter x volume) of the solution for assay, as found in subparagraph (3) (iii) of this paragraph, to obtain the procaine penicillin content of the onedose container. The content of procame penicillin in the batch is satisfactory if it is not less than 85 percent of that which it is represented to contain.

(b) Sterility. Proceed as directed in § 141a.47 (b)

(c) Pyrogens. Proceed as directed in § 141a.47 (d)

(d) Toxicity. Proceed as directed in § 141a.47 (c)

(e) Moisture. Proceed as directed in § 141a.26 (e)

(f) pH. Proceed as directed in § 141a.47 (f)

9. Section 141b.101 Streptomycin sulfate, streptomycin hydrochloride * * is amended in the following respects:

a. Paragraph (f) is revised to read as follows:

- (f) Preparation of suspensions—(1) Preparation of spore suspensions. The test organism is Bacillus subtilis (American Type Culture Collection 6633) Maintain the test organism on nutrient agar prepared as described in § 141a.1 (b) (1) of this chapter. Prepare a spore suspension by one of the following methods:
- (i) Grow the organism for 1 week at 37° C. in a number of Roux bottles each containing 300 milliliters of nutrient agar prepared as described in § 141a.1 (b) (1) of this chapter. Suspend the spores in sterile distilled water and heat for 30 minutes at 65° C. Wash the spore suspension three times with sterile distilled water, heat again for 30 minutes at 65° C. and resuspend in sterile distilled water; or
- (ii) Grow the organism for 5 days at 37° C. in a Roux bottle containing 300 milliliters of agar medium described in § 141a.1 (b) (1) of this chapter, but modified by the addition of 300 milligrams of MnSO, H2O per liter. Suspend the growth in 50 milliliters of sterile isotonic saline solution, centrifuge, and decant the supernatant liquid. Reconstitute the sediment and heat-shock the suspension by heating for 30 minutes at 70° C. Maintain the spore suspension at approximately 15° C. Determine by appropriate tests the quantity of sporo suspension to be added to each 100 milliliters of agar for the secondary layer that will give sharp, clear zones of inhibition,
- (2) Preparation of vegetative suspension. If a suspension of the test organism is to be used in lieu of the spore suspensions described in subparagraph (1) of this paragraph, prepare such suspension as follows: Using 2.0 milliliters of sterile distilled water, wash the organism from an agar slant (which has been incubated for 24 hours at 37° onto the agar surface of a Roux bottle containing 300 milliliters of nutrient agar prepared as described in § 141a.1 (b) (1) of this chapter. Incubate for 24 hours at 37° C. Suspend the resultant growth in 50 milliliters of sterile distilled water and homogenize the suspension. Determine by appropriate tests the quantity of the vegetative suspension to be added to each 100 milliliters of agar for the

secondary layer that will give sharp, clear zones of inhibition.

- b. In paragraph (j) Turbidimetric assay, subparagraph (2) is amended by changing the fourth sentence to read as follows: "Add 1.0 milliliter of each final dilution to each of six tubes having an outside dimension of 16 millimeters×125 millimeters (total 54 tubes)" and by changing the words "4 hours" in the fifth sentence to read "3 to 4 hours"
- c. In paragraph (j) subparagraph (3) Preparation of sample is amended by changing the third sentence to read as follows: "Add 1.0 milliliter of this dilution to each of six 16 millimeter ×125 millimeter tubes (outside dimension) " and by changing the words "4 hours" in the fourth sentence to read "3 to 4 hours"
- 10. In § 141b.121 Streptomycylidene isonicotinyl hydrazine sulfate, paragraph (a) Potency is amended by changing subparagraph (2) to read as follows:
- (2) Isomicotinic acid hydrazide content—(i) Reagents. (a) 0.1 N KBrO₂-KBr solution: Dissolve 3 grams of KBrO. and 15 grams of KBr in sufficient water to make 1,000 milliliters.
- (b) Concentrated hydrochloric acid. (c) 20-percent potassium iodide solution.
- (d) 0.05 N Na₂S₂O₃ (accurately standardized against KIO₃)
- (ii) Preparation of sample. Place an accurately weighed sample of approximately 250 milligrams or an aliquot of a solution containing 250 milligrams of streptomycylidene isonicotinyl hydrazine sulfate into a 250-milliliter iodine flask. Add sufficient water to give a volume of 25 milliliters.
- (iii) Blank. Add 25 milliliters of distilled water in a 250-milliliter iodine flask.
- (iv) Procedure. To each 10dine flask containing the sample and blank, add 25 milliliters of 0.1 N KBrO3-KBr solution and 5 milliliters of concentrated HCl. Stopper the flasks, and place distilled water in the wells around the stopper. Allow the flasks to stand for 15 minutes at room temperature, and then add 5 milliliters of 20-percent potassium iodide solution to each flask. Titrate the liberated iodine with 0.05 N Na₂S₂O₂, using starch as an indicator.
 - (v) Calculations.

Percent isonicotinic acid hydrazide= $(B-S) \times N \times 3429$ w

where:

B= milliliters of Na.S2O2 required for the blank.

S= milliliters of Na₂S₂O₃ required for the sample.

N= normality of the Na.S.O.

W= milligrams of sample.

- 11. Section 141c.201 Chlortetracycline hydrochloride is amended in the following respects:
- a. In paragraph (a) Potency, subparagraph (8) Turbidimetric assay is amended by changing the fourth sentence in subdivision (ii) Working standard and solutions to read as follows: "To a triplicate series of 16 millimeter × 125 millimeter tubes (outside dimension) add 0.1, 0.2, 0.3, 0.4, 0.5, 0.6, 0.7, 0.8, 0.9, and

1.0 milliliter, respectively, of the 0.1 lic interest to delay providing for the microgram per milliliter solution." and by changing the words "31/2 hours" in the eighth sentence to read "3 to 4 hours."

- b. In paragraph (a) (8), subdivision (iii) Preparation of sample is amended by changing the third sentence to read as follows: "Add 1.0 milliliter of this dilution to each of three 16 millimeter x125 millimeter tubes (outside dimension)." and by changing the words "3½ hours" in the fourth sentence to read "3 to 4 hours."
- c. Paragraph (g) is amended to read as follows:
- (g) pH. Proceed as directed in § 141a.5 (b) of this chapter, using an aqueous solution containing 10 milligrams per milliliter.
- 12. In § 141c.204 Chlortetracycline capsules * * *, paragraph (a) Potency is amended by changing the second sentence to read as follows: "If it is tetracycline hydrochloride or tetracycline, use 500 milliliters of 0.01 N HCl (if it contains vitamins use 500 milliliters of 0.1 N HCl) and proceed as directed in § 141c.218 (a)
- 13. In § 141c.221 Tetracycline hydrochloride for intramuscular use, paragraph (a) Potency is amended by changing the first sentence to read as follows: "Reconstitute the sample as directed on the label or labeling. Using a suitable syringe, withdraw a one-dose aliquot and place in a 100-milliliter volumetric flask. Make to mark with 0.01 N HCl, and proceed as directed in § 141c.218 (a) "
- 14. In § 141d.304 Chloramphenicol ophthalmic, paragraph (c) Sterility is amended by changing subparagraph (1) to read as follows:
- (1) Use 0.5 milliliter of the suspension of the sample prepared according to label directions, and do not use penicillinase or the control tube in the test for bac-
- 15. Section 141e.401 Bacitracin is amended in the following respects:
- a. In paragraph (a) Potency, sub-paragraph (2) Turbidimetric assay is amended by changing the last sentence in subdivision (ii) Working-standard solutions to read as follows: "Add 1.0 milliliter of each of these working standard solutions to each of six 16 millimeter×125 millimeter tubes (outside dimension) "
- b. In paragraph (a) (2), subdivision (iii) Preparation of sample is amended by changing the second sentence to read as follows: "Add 1.0 milliliter of the diluted sample to each of six 16 millimeter by 125 millimeter tubes (outside dimension) '
- c. In paragraph (a) (2), subdivision (iv) Estimation of potency is amended by changing the last sentence to read as follows: "Units per tube divided by 0.25×100 will give percent potency of the sample."

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since it was drawn in collaboration with interested members of the affected industry and since it would be against pub-

amendments set forth above.

This order shall become effective upon publication in the FEDERAL REGISTER, since both the public and the affected industry will benefit by the earliest effective date, and I so find.

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371. Interpret or apply sec. 507, 59 Stat. 463, as amended; 21 U. S. C. 357)

Dated: July 25, 1955.

GEO. P. LARRICK. [SEAT.] Commissioner of Food and Drugs. [F. R. Doc. 55-6148; Filed, July 23, 1955; 8:49 a. m.1

PART 141c-CHLORTETRACYCLINE (OR TET-RACYCLINE) AND CHLORTETRACYCLINE-(OR TETRACYCLINE-) CONTAINING DRUGS; TESTS AND METHODS OF ASSAY

Part 146c—Certification of Chlortet-RACYCLINE (OR TETRACYCLINE) AND CHLORTETRACYCLINE- (OR TETRACY-CLINE-) CONTAINING DRUGS

TETRACYCLINE AND VASOCONSTRICTOR SUSPENSION

By virtue of the authority vested in the Secretary of Health, Education, and Welfare by the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended by 61 Stat. 11. 63 Stat. 409, 67 Stat. 389; sec. 701, 52 Stat. 1055; 21 U.S. C. 357, 371) and delegated to the Commissioner of Food and Drugs by the Secretary (20 F. R. 1996), the regulations for tests and methods of assay for antibiotic and antiblotic-containing drugs (21 CFR, 1954 Supp., Part 141) and certification of antiblotic and antiblotic-containing drugs (21 CFR, 1954 Supp., Part 146) antibiotic-containing are amended by adding the following new sections:

- 1. Part 141c is amended by adding the following new section:
- § 141c.226 Tetracycline and rasoconstrictor suspension-(a) Potency. Proceed as directed in § 141c.218 (a) Its potency is satisfactory if it contains not less than 85 percent of the number of milligrams that it is represented to contain.
- (b) pH. Using the undiluted sample, proceed as directed in § 141a.5 (b) of this chapter.
- 2. Part 146c is amended by adding the following new section:
- § 146c.226 Tetracycline and rasoconstrictor suspension; tetracycline and _ (the blank being filled in with the common or usual name of the vasoconstrictor) suspension—(a) Standards of identity, strength, quality, and purity. Tetracycline and vasoconstrictor suspension is tetracycline and a suitable vasoconstrictor, with or without one or more suitable and harmless suspending dispersing agents, preservatives, buffer substances, colorings, and flavorings, with or without cortisone or a suitable derivative of cortisone, suspended in a suitable and harmless vehicle. Each milliliter contains a quantity of tetracycline equivalent to not less than 3.75

milligrams of tetracycline hydrochloride. The pH is not less than 4.0 nor more than 5.0. The tetracycline used conforms to the requirements of § 146c.220 (a) Each other substance used, if its name is recognized in the U.S. P or N.F., conforms to the standards prescribed therefor by such official compendium.

(b) Packaging. In all cases the immediate container shall be a tight container as defined by the U. S. P., and shall be of such composition as will not cause any change in the strength, quality or purity of the contents beyond any limit therefor in applicable standards, except that minor changes so caused that are normal and unavoidable in good packaging, storage, and distribution practice shall be disregarded.

(c) Labeling. Each package shall bear on its label or labeling, as hereinafter indicated, the following:

(1) On the outside wrapper or container and the immediate container:

(i) The batch mark.

(ii) The potency per milliliter expressed in terms of its equivalency of tetracycline hydrochloride.

(iii) If the batch contains, in addition to tetracycline, one or more other active ingredients specified in paragraph (a) of this section, the name and quantity of each such other ingredient in each milliliter of the batch.

- (iv) The statement "Expiration date _____," the blank being filled in with the date that is 12 months after the month during which the batch was certified. Provided, however That such expiration date may be omitted from the immediate container if such immediate container is packaged in an individual wrapper or container.
- (v) The statements "Warning—Not for injection" and "Shake well."
- (2) On the outside wrapper or container.
- (i) The statement "Caution: Federal law prohibits dispensing without prescription," unless it is packaged for dispensing and it is intended solely for veterinary use and is conspicuously so labeled.
- (ii) If it is packaged for dispensing and it is intended for use by man, a reference specifically identifying a readily available medical publication containing information (including contraindications and possible sensitization) adequate for the use of such drug by practitioners licensed by law to administer it; or a reference to a brochure or other printed matter containing such information, and a statement that such brochure or other printed matter will be sent on request: Provided, however That this reference may be omitted if the information is contained in a circular or other labeling within or attached to the package.
- (3) On the label or labeling, if it contains, in addition to tetracycline, one or more other active ingredients specified in paragraph (a) of this section, after the name "Tetracycline and vasoconstrictor suspension," wherever such name appears, the words "with _____," in juxtaposition with such name, the blank being filled in with the common or usual name of each such other ingredient used.

(4) On a circular or other labeling within or attached to the package, if it is packaged for dispensing and it is intended solely for veterinary use and is conspicuously so labeled, adequate directions and warnings for the veterinary use of such drug by the laity. Such circular or other labeling may also bear a statement that a brochure or other printed matter containing information for other veterinary uses of such drug by a veterinarian licensed by law to administer it will be sent to such veterinarian on request.

(d) Request for certification. samples. (1) In addition to complying with the requirements of § 146.2 of this chapter, a person who requests certification of a batch shall submit with his request a statement showing the batch mark, the number of packages of each size in such batch, the batch mark and (unless it was previously submitted) the date on which the latest assay of the tetracycline used in making the batch was completed, the date on which the latest assay of the drug comprising such batch was completed, the quantity of each ingredient used in making the batch, and a statement that each such ingredient conforms to the requirements prescribed therefor by this section.

(2) Except as otherwise provided by subparagraph (4) of this paragraph, such person shall submit in connection with his request results of the tests and assays listed after each of the following, made by him on an accurately representative sample of:

(i) The batch: Average potency per milliliter, and pH.

(ii) The tetracycline used in making the batch: Potency, toxicity, moisture, pH, crystallinity, and extinction coefficient.

(3) Except as otherwise provided by subparagraph (4) of this paragraph, such person shall submit in connection with his request, in the quantities heremafter indicated, accurately representative samples of the following:

(i) The batch: One package for each 5,000 packages in the batch, but in no case less than 5 or more than 12 packages, collected by taking single packages at such intervals throughout the entire time of packaging the batch that the quantities packaged during the intervals are approximately equal.

(ii) The tetracycline used in making the batch: 10 packages, each containing approximately equal portions of not less than 60 milligrams, packaged in accordance with the requirements of § 146c.220 (b)

(iii) In case of an initial request for certification, each other ingredient used in making the batch: One package of each containing approximately 5 grams, except if cortisone, or a derivative of cortisone is used, such package shall contain approximately 100 milligrams.

(4) No result referred to in subparagraph (2) (ii) of this paragraph, and no sample referred to in subparagraph (3) (ii) of this paragraph, is required if such result or sample has been previously submitted.

(e) Fees. The fee for the services rendered with respect to each batch under the regulations in this part shall be:

(1) \$4.00 for each package in the samples submitted in accordance with paragraph (d) (3) (i), (ii), and (iii) of this section.

(2) If the Commissioner considers that investigations other than examination of such packages are necessary to determine whether or not such batch complies with the requirements of § 146.3 of this chapter for the issuance of a certificate, the cost of such investigations.

The fee prescribed by subparagraph (1) of this paragraph shall accompany the request for certification unless such fee is covered by an advance deposit maintained in accordance with § 146.8 (d) of this chapter.

(Sec. 701, 52 Stat. 1055; 21 U.S. C. 371)

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since it was drawn in collaboration with interested members of the affected industry and since it would be against public interest to delay providing for the amendments set forth above.

This order shall become effective upon publication in the Federal Register, since both the public and the affected industry will benefit by the earliest effective date, and I so find.

Dated: July 25, 1955.

[SEAL] GEO. P LARRICK, Commissioner of Food and Druys. [F. R. Doc. 55-6147; Filed, July 28, 1955; 8:48 a, m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter I—Office of Defense Mobilization

[Defense Manpower Policy 4, Rev., Amdt. 1]

DMP 4—PLACEMENT OF PROCUREMENT AND FACILITIES IN AREAS OF CURRENT OR IM-MINENT LABOR SURPLUS

- 1. Defense Manpower Policy No. 4 (Revised) (18 F R. 6995), issued by this Office under date of November 5, 1953, is hereby amended by revising paragraph B.2 of section IV to read as follows:
- 2. Where deemed appropriate, set aside portions of procurements for negotiation, at prices no higher than those paid on the balance of these procurements, exclusively with firms located in classified labor surplus areas: Provided, That a substantial proportion of the production on these contracts will be performed within labor surplus areas: Provided further, That firms which are located in areas not classified by the Department of Labor shall be eligible for participation in set-asides if these firms submit a certificate obtained from the local Employment Security Office that a substantial labor surplus exists in the area in accordance with standards prescribed by the Department of Labor.

2. This amendment is to take effect on July 27, 1955.

Office of Defense Mobilization, ARTHUR S. FLEMMING, Director

[F. R. Doc. 55-6160; Filed, July 27, 1955; 12:36 p. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

Part 202—Anchorage Regulations

PART 205-DUMPING GROUND REGULATIONS

SAN FRANCISCO BAY; DUMPING GROUNDS, HILO HARBOR, HAWAII; CORRECTIONS

1. In F R. Document 55-4531, published at 20 F. R. 3955, June 8, 1955, so much of § 202.224 (a) (15) (i) as reads "and 120° 30' 4,800 yards from Hunters Point South End Light" is corrected to read: "and 112° 30' 4,800 yards from Hunters Point South End Light"

2. In F. R. Document 55–2900, published at 20 F. R. 2309, April 9, 1955, so much of § 205.70 (a) (1) as reads "and a line running westerly from Paukaa Point" is corrected to read: "and a line running easterly from Paukaa Point" [Letter, ENGWO, 15 July 1955] (R. S. 161; 5 U. S. C. 22)

[SEAL] JOHN A. KLEIN,

Major General, U. S. Army,

The Adjutant General.

[F. R. Doc. 55-6115; Filed, July 28, 1955; 8:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

> Appendix C—Public Land Orders [Public Land Order 1194] [Montana 014873; Misc. 60538]

MONTANA AND SOUTH DAKOTA CORRECTING LAND DESCRIPTION IN PUBLIC LAND ORDER NO. 909 OF JULY 31, 1953

By virtue of the authority vested in the President by the act of June 4, 1897 (30 Stat. 34, 36; 16 U. S. C. 473) and otherwise, and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

The land description in Public Land Order No. 909 of July 31, 1953, reserving public lands within national forests for use of the Forest Service, Department of Agriculture, as administrative sites and a recreation area, so far as such order refers to lands in Rock Creek and Notch Administrative Sites, is hereby amended to read as follows:

> MONTANA PRINCIPAL MERIDIAN BEAVERHEAD NATIONAL FOREST

Rock Creek Administrative Site

T. 3 S., R. 10 W., Sec. 32, NW1/4SE1/4.

The area described contains 40 acres.

Notch Administrative Site

T. 11 S., R. 4 W., Sec. 18, NEUNWY.

JULY 25, 1955.

The area described contains 40 acres.

ORME LEWIS,
Assistant Secretary of the Interior

[F. R. Doc. 55-6133; Filed, July 28, 1955; 8:45 a. m.]

[Public Land Order 1195] [Arizona 08562]

ARIZONA

RESERVING LANDS WITHIN COCONINO NATIONAL FOREST FOR USE BY FOREST SERVICE FOR ADMINISTRATIVE PURPOSES IN CONNECTION WITH CONSTRUCTION AND MAINTENANCE OF PUBLIC ROADS

By virtue of the authority vested in the President by the act of June 4, 1897 (30 Stat. 34, 36; 16 U. S. C. 473) and otherwise, and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Subject to valid existing rights, the following-described public lands within the Coconino National Forest in Arizona are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, and reserved for use by the Forest Service, Department of Agriculture, for administrative purposes in connection with the construction and maintenance of public roads:

GILA AND SALT RIVER MERIDIAN

T. 21 N., R. 7 E.,

Scc. 28. EMNEMSWMNWM, WMNWM SEMNWM, NWMSWMSEMNWM, NEM SEMSWMNWM.

The areas described aggregate 15 acres. This order shall take precedence over but not otherwise affect the existing reservation of the lands for national forest purposes.

ORME LEWIS, Assistant Secretary of the Interior.

JULY 25, 1955.

[P. R. Dec. 55-6134; Filed, July 28, 1955; 8:46 a.m.]

[Public Land Order 1196]

[Mice. 63385]

MONTANA

RESERVING PUBLIC LANDS IN CONNECTION WITH FOX LAKE WATERFOWL PROJECT

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, the act of September 2, 1937 (50 Stat. 917; 16 U. S. C. 669-6691) and the act of March 10, 1934, as amended by the act of August 14, 1946 (48 Stat. 401; 60 Stat. 1030; 16 U. S. C. 661-666c), it is ordered as follows:

Subject to valid existing rights, the following-described public lands in Montana are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, and reserved under the jurisdiction of the Department of the Interior for use of the Department of Fish and Game of the State of Montana in connection with the Fox Lake Waterfowl Project, under such conditions as may be prescribed by the Secretary of the Interior:

MONTANA PRINCIPAL MERIDIAN

T. 22 N., R. 55 E.,

Sec. 10, SIANWIA, NIASWIA.

The areas described aggregate 160 acres.

ORME LEWIS,

Assistant Secretary of the Interior. July 25, 1955.

[F. R. Dec. 55-6155; Filed, July 28, 1955; 8:51 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service
I 26 CFR (1954) Part 301 1

PROCEDURE AND ADMINISTRATION
PERIODS OF LIMITATION

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. These proposed regulations relate to the administrative provisions under chapter 66 of Subtitle F of the Internal Revenue Code of 1954. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention T:P, Washington 25, D. C., within the period of 30 days from the

date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805)

[SEAL]

PAUL K. WEESTER, Acting Commissioner of Internal Revenue.

The following regulations are hereby prescribed under chapter 66 of the Internal Revenue Code of 1954, relating

tion of error.

Law applicable in determina-

301.6521-2

to the limitat imposed by su		Sec. 301.6503 (d)-1	Suspension of running of period of limitation; ex-
	Limitations		tension of time for pay-
	ASSESSMENT AND COLLECTION	301.6503 (e)	ment of estate tax. Statutory provisions; sus-
Sec. 301.6501 (a)	Statutory provisions; limi-		pension of running of pe-
001.0001 (4)	tations on assessment and		riod of limitation; cross references.
004 0504 (-) 4	collection; general rule.	301.6504	Statutory provisions; cross
301.6501 (a)-1	Period of limitations upon assessment and collection.		references.
301.6501 (b)	Statutory provisions; limi-	LIMITATIO	ONS ON CREDIT OR REFUND
	tations on assessment and	301.6511 (a)	Statutory provisions; limi-
	collection; time return deemed filed.		tations on credit or re-
301.6501 (b)-1	Time return deemed filed		fund; period of limitation on filing claim.
	for purposes of determin-	301.6511 (a)~1	Period of limitation on filing
301.6501 (c)	ing limitations. Statutory provisions; limi-	301.6511 (b)	claim. Statutory provisions; limi-
• • •	tations on assessment and	001.0011 (b)	tations on credit or re-
201 6501 (a)_1	collection; exceptions. Exceptions to general period		fund; limitation on allow-
301.0301(C)-1	of limitations on assess-		ance of credits and re- funds.
	ment and collection.	301.6511 (b)-1	
301.6501 (d)	Statutory provisions; limi- tations on assessment and		credits and refunds.
	collection; request for	301.6511 (c)	Statutory provisions; limi- tations on credit or re-
	prompt assessment.		fund; special rules appli-
301.6501 (d)-1			cable in case of extension
301.6501 (e)	ment. Statutory provisions; limi-	301.6511 (c)-1	of time by agreement. Special rules applicable in
(-,	tations on assessment and	001.0011 (0)-1	case of extension of time
	collection; omission from		by agreement.
301.6501 (e)-1	gross income. Omission from return.	301.6511 (d)	Statutory provisions; limi- tations on credit or re-
301.6501 (f)	Statutory provisions; limi-		fund; special rules appli-
	tations on assessment and		cable to income taxes.
	collection; personal hold- ing company tax.	301.6511 (d)-1	Overpayment of income tax on account of bad debts.
301.6501 (f)-1	Personal holding company		worthless securities, etc.
001 0501 (~)	tax.	301.6511 (d)-2	Overpayment of income tax
301.6501 (g)	Statutory provisions; limi- tations on assessment and		on account of net operat- ing loss carrybacks.
	collection; certain income	301.6511 (d)-3	
	tax returns of corpora- tions.	• •	credit against income tax
301.6501(g) -1		301.6511 (e)	for foreign taxes. Statutory provisions; limi-
	of corporations.	002.0022 (0)	tations on credit or re-
301.6501 (h)	Statutory provisions; limi- tations on assessment and		fund; special rules in case
	collection; joint income	301.6511 (e)-1	of manufactured sugar. Special rules applicable to
	return after separate re-		manufactured sugar.
301.6502	turn. Statutory provisions; collec-	301.6511 (f)	Statutory provisions; limi- tations on credit or re-
001.0002	tion after assessment.		fund; cross references.
301.6502-1	Collection after assessment.	301.6512	Statutory provisions; limi-
301.6503 (a)	Statutory provisions; sus- pension of running of pe-		tations in case of petition
	riod of limitation; issu-	301.6512-1	to Tax Court. Limitations in case of peti-
	ance of statutory notice of		tion to Tax Court.
201 6502 (6). 1	deficiency.	301.6513	Statutory provisions; time
301.6503 (a)-1	Suspension of running of period of limitation; issu-		return deemed filed and tax considered paid.
	ance of statutory notice of	301.6513-1	Time return deemed filed
201 GE02 (h)	deficiency.		and tax considered paid.
301.6503 (b)	Statutory provisions; sus- pension of running of pe-	301.6514 (a)	Statutory provisions; credits or refunds after period of
	riod of limitation; assets		limitation.
	of taxpayer in control or	301.6514 (a)-1	Credits or refunds after pe-
301.6503 (b)-1	custody of court. Suspension of running of	004 0544 (1.)	riod of limitation.
	period of limitation; as-	301.6514 (b)	Statutory provisions; credit after period of limitation.
	sets of taxpayer in control	301.6514 (b)-1	Credit against barred liabil-
301.6503 (c)	or custody of court. Statutory provisions: sus-		ity.
(0)	Statutory provisions; sus- pension of running of pe-	301.6515	Statutory provisions; cross
	riod of limitation; location		references.
	of property outside the United States or removal	MITIGATION	OF EFFECT OF PERIOD OF
	of property from the		LIMITATIONS
001 0000 1 1 -	United States.	301.6521	Statutory provisions; mitiga-
შ∪1.6503 (c) <i>–</i> 1	Suspension of running of		tion of effect of limitation
	period of limitation; loca- tion of property outside	~	in case of related taxes un-
	the United States or re-	301.6521-1	der different chapters. Mitigation of effect of limi-
	moval of property from the United States.	JULIUWA L	tation in case of related
301.6503 (d)	Statutory provisions; sus-		employee social security
, ,	pension of running of pe-	_	tax and self-employment
	riod of limitation; exten-		tax.

riod of limitation; exten-

sions of time for payment

of estate tax.

PERIODS OF LIMITATION IN JUDICIAL PROCEEDINGS

Sec.	
301.6531	Statutory provisions; periods of limitation on criminal prosecutions.
301.6532	Statutory provisions; periods of limitation on suits.
301.6532-1	Periods of limitation on suits by taxpayers.
301.6532-2	Periods of limitation on suits by the United States.
301.6533	Statutory provisions; cross references.
	.

GENERAL RULES

EFFECTIVE DATE AND RELATED PROVISIONS

301.7851 Statutory provisions; applicability of revenue laws.

LIMITATIONS

LIMITATIONS ON ASSESSMENT AND COLLECTION

§ 301.6501 (a) Statutory provisions; limitations on assessment and collection, general rule.

SEC. 6501. Limitations on assessment and collection.

(a) General rule. Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within 3 years after the return was filed (whether or not such return was filed on or after the date prescribed) or, if the tax is payable by stamp, within 3 years after such tax became due, and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

§ 301.6501 (a)-1 Period of limitations upon assessment and collection. (a) The amount of any tax imposed by the Internal Revenue Code of 1954 (other than a tax collected by means of stamps) shall be assessed within 3 years after the return was filed. For rules applicable in cases where the return is filed prior to the due date thereof, see section 6501
(b) In the case of taxes payable by stamp, assessment must be made within 3 years after the tax became due. For exceptions and additional rules, see subsections (b) to (g) of section 6501, and for cross references to other provisions relating to limitations on assessment and collection, see sections 6501 (h) and 6504.

(b) No proceeding in court without assessment for the collection of any tax shall be begun after the expiration of the applicable period for the assessment of such tax.

§ 301.6501 (b) Statutory provisions; limitations on assessment and collection, time return deemed filed.

SEC. 6501. Limitations on assessment and collection. * * *

(b) Time return deemed filed—(1) Early return. For purposes of this section, a return of tax imposed by this title, except tax imposed by chapter 21 or 24, filed before the last day prescribed by law or by regulations promulgated pursuant to law for the filing thereof, shall be considered as filed on such last day.

(2) Return of certain employment taxes. For purposes of this section, if a return of tax imposed by chapter 21 or 24 for any period ending with or within a calendar year is filed before April 15 of the succeeding calendar year, such return shall be considered filed on April 15 of such calendar year.

(3) Return executed by Secretary. Notwithstanding the provisions of paragraph (2) of section 6020 (b), the execution of a return by the Secretary or his delegate pursuant to the authority conferred by such section shall not start the running of the period of limitations on assessment and collection.

§ 301.6501 (b)-1 Time return deemed filed for purposes of determining limitations—(a) Early return. Any return, other than employment tax returns referred to in paragraph (b) of this section, filed prior to the last day prescribed by law or regulations for the filing thereof (determined without regard to any extension of time for filing) shall be considered as filed on such last day.

(b) Returns of social security tax and of income tax withholding. If a return of tax under chapter 21 (relating to the Federal Insurance Contributions Act) or chapter 24 (relating to the collection of income tax at source on wages) for any period ending with or within a calendar year is filed before April 15 of the succeeding calendar year, such return shall be deemed filed on April 15 of such succeeding calendar year. For example, if quarterly returns are filed for the four quarters of 1955 on April 30, July 31, and October 31, 1955, and on January 31, 1956, the period of limitation for assessment with respect to the tax required to be reported on such returns is measured from April 15, 1956. However, if any of such returns is filed after April 15, 1956, the period of limitation for assessment of the tax required to be reported on that return is measured from the date it is in fact filed.

(c) Returns executed by district directors or other internal revenue officers. The execution of a return by a district director or other authorized internal revenue officer or employee under the authority of section 6020 (b) shall not start the running of the statutory period of limitations on assessment and collection.

§ 301.6501 (c) Statutory provisions; limitations on assessment and collection; exceptions.

SEC. 6501. Limitations on assessment and collection. * * *

- (c) Exceptions-(1) False return. In the case of a false or fraudulent return with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.
- (2) Willful attempt to evade tax. In case of a willful attempt in any manner to defeat or evade tax imposed by this title (other than tax imposed by subtitle A or B), the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.
- (3) No return. In the case of failure to file a return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any
- (4) Extension by agreement. Where, before the expiration of the time prescribed in this section for the assessment of any tax imposed by this title, except the estate tax provided in chapter 11, both the Secretary or his delegate and the taxpayer have consented in writing to its assessment after such time. the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.
- (5) Tax resulting from changes in certain income tax or estate tax credits. For special rules applicable in cases where the adjustment of certain taxes allowed as a credit

against income taxes or estate taxes results in which a return is required and for additional tax, see cection 905 (c) (relating to the foreign tax credit for income tax purposes) and section 2016 (relating to taxes of foreign countries, States, etc., claimed as credit against estate taxes).

§ 301.6501 (c)-1 Exceptions to general period of limitations on assessment and collection—(a) False return. In the case of a false or fraudulent return with intent to evade any tax, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time after such false or fraudulent return is filed.

(b) Willful attempt to evade tax. In the case of a willful attempt in any manner to defeat or evade any tax imposed by the Internal Revenue Code of 1954 (other than a tax imposed by subtitle A or B, relating to income, estate, or gift taxes) the tax may be assessed. or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

(c) No return. In the case of a failure to file a return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time after the date prescribed for filing the return.

(d) Extension by agreement. The time prescribed by section 6501 for the assessment of any tax (other than the estate tax imposed by chapter 11) may, prior to the expiration of such time, be extended for any period of time agreed upon in writing by the taxpayer and the district director or an assistant regional commissioner. The extension shall become effective when the agreement has been executed by both parties. The period agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

§ 301.6501 (d) Statutory provisions; limitations on assessment and collection; request for prompt assessment.

SEC. 6501. Limitations on assessment and collection. • • •

(d) Request for prompt assessment. Except as otherwise provided in subsection (c), in the case of any tax (other than the tax imposed by chapter 11 of subtitle B, relating to estate taxes) for which return is required in the case of a decedent, or by his estate during the period of administration, or by a corporation, the tax shall be assessed, and any proceeding in court without accessment for the collection of such tax shall be begun. within 18 months after written request therefor (filed after the return is made and filed in such manner and such form as may be prescribed by regulations of the Secretary or his delegate) by the executor, administrator, or other fiduciary representing the estate of such decedent, or by the corporation, but not after the expiration of 3 years after the return was filed. This subsection shall not apply in the case of a corporation unless

(1) Such written request notifies the Secretary or his delegate that the corporation contemplates dissolution at or before the expiration of such 18-month period; and

(2) The dissolution is in good faith begun before the expiration of such 18-month period; and

(3) The dissolution is completed.

§ 301.6501 (d)-1 Request for prompt assessment. (a) Except as otherwise provided in section 6501 (c) any tax for

which-

(1) A decedent or an estate of a decedent may be liable, other than the estate tax imposed by chapter 11, or

(2) A corporation contemplating dissolution may be liable,

shall be assessed, or a proceeding in court without assessment for the collection of such tax shall be begun, within 18 months after the written request for prompt assessment thereof.

(b) The executor, administrator, or other fiduciary representing the estate of the decedent, or the corporation, as the case may be, shall, after the return in question has been filed, file the request for prompt assessment in writing with the district director for the mternal revenue district in which such return was filed. The request, in order to be effective, must be transmitted separately from any other document, must set forth the classes of tax and the taxable periods for which the prompt assessment is requested, and must clearly indicate that it is a request for prompt assessment under the provisions of section 6501 (d) The effect of such a request is to limit the time in which an assessment of tax may be made, or a proceeding in court without assessment for collection of tax may be begun, to a period of 18 months from the date the request is filed with the proper district director. The request does not extend the time within which an assessment may be made, or a proceeding in court without assessment may be begun, beyond 3 years from the date the return was filed. This special period of limitations will not apply to any return filed after a request for prompt assessment has been made unless an additional request is filed in the manner provided herein.

(c) In the case of a corporation the 18-month period shall not apply unless-

(1) The written request notifies the district director that the corporation contemplates dissolution at or before the expiration of such period,

(2) The dissolution is in good faith begun before the expiration of such period, and

(3) The dissolution so begun is completed either before or after the expiration of such 18-month period.

§ 301.6501 (e) Statutory provisions; limitations on assessment and collection; omission from gross income.

Sec. 6501. Limitations on assessment and collection. * * *

(e) Omission from gross income. Except as otherwise provided in subsection (c)—
(1) Income taxes. In the case of any tax

imposed by subtitle A-

(A) General rule. If the taxpayer omits from gross income an amount properly includible therein which is in excess of 25 percent of the amount of gross income stated in the return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 6 years after the return was filed. For purposes of this subparagraph—

(i) In the case of a trade or business, the term "gross income" means the total of the amounts received or accrued from the sale of goods or cervices (if such amounts are required to be shown on the return) prior to diminution by the cost of such sales or cervices; and

- (ii) In determining the amount omitted from gross income, there shall not be taken into account any amount which is omitted from gross income stated in the return if such amount is disclosed in the return, or in a statement attached to the return, in a manner adequate to apprise the Secretary or his delegate of the nature and amount of such item.
- (B) Constructive dividends. If the taxpayer omits from gross income an amount properly includible therein under section 551 (b) (relating to the inclusion in the gross income of United States shareholders of their distributive shares of the undistributed foreign personal holding company income), the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 6 years after the return was filed.
- (2) Estate and gift taxes. In the case of a return of estate tax under chapter 11 or a return of gift tax under chapter 12, if the taxpayer omits from the gross estate or from the total amount of the gifts made during the year items includible in such gross estate or such total gifts, as the case may be, as exceed in amount 25 percent of the gross estate stated in the return or the total amount of gifts stated in the return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 6 years after the return was filed. In determining the items omitted from the gross estate or the total gifts, there shall not be taken into account any item which is omitted from the gross estate or from the total gifts stated in the return if such item is disclosed in the return, or in a statement attached to the return, in a manner adequate to apprise the Secretary or his delegate of the nature and amount of such item.
- § 301.6501 (e)-1 Omission from return—(a) Income taxes—(1) General rule. (i) If the taxpayer omits from the gross income stated in the return of a tax imposed by subtitle A an amount properly includible therein which is in excess of 25 percent of the gross income so stated, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 6 years after the return was filed.
- (ii) For purposes of this subparagraph, the term "gross income" as it relates to a trade or business, means the total of the amounts received or accrued from the sale of goods or services to the extent required to be shown on the return without reduction for the cost of such sales or services. An item shall not be considered as omitted from gross income if information, sufficient to apprise the district director of the nature and amount of such item, is disclosed in the return or in any schedule or statement attached to the return.
- (2) Constructive dividends. If a tax-payer omits from gross income an amount properly includible therein under section 551 (b) as his distributive share of the undistributed foreign personal holding company income, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 6 years after the return was filed.
- (b) Estate and gift taxes. (1) If the taxpayer omits from the gross estate as stated in the estate tax return, or from the total amount of the gifts made during the year as stated in the gift tax return, an item or items properly includible

- therein the amount of which is in excess of 25 percent of the gross estate as stated in the return, or 25 percent of the total amount of the gifts as stated in the return, the tax may be assessed, or a proceeding in court for the collection thereof may be begun without assessment, at any time within 6 years after the return was filed.
- (2) For purposes of this paragraph, an item disclosed in the return or in any schedule or statement attached to the return in a manner sufficient to apprise the district director of the nature and amount thereof shall not be taken into account in determining items omitted from the gross estate or total gifts, as the case may be. Further, there shall not be taken into account in computing the 25 percent omission from the gross estate stated in the estate tax return or from the total gifts stated in the gift tax return, any increases in the valuation of assets disclosed on the return.
- (c) Exception. The provisions of this section do not limit the application of section 6501 (c)
- § 301.6501 (f) Statutory provisions; limitations on assessment and collection, personal holding company tax.

Sec. 6501. Limitations on assessment and collection. * * *

- (f) Personal holding company tax. If a corporation which is a personal holding company for any taxable year fails to file with its return under chapter 1 for such year a schedule setting forth—
- (1) The items of gross income, described in section 543 (a), received by the corporation during such year, and
- (2) The names and addresses of the individuals who owned, within the meaning of section 544 (relating to rules for determining stock ownership), at any time during the last half of such year more than 50 percent in value of the outstanding capital stock of the corporation,

the personal holding company tax for such year may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 6 years after the return for such year was filed.

- § 301.6501 (f)-1 Personal holding company tax. If a corporation which is a personal holding company for any taxable year fails to file with its income tax return for such year a schedule setting forth the items of gross income described in section 543 (a) received by the corporation during such year, and the names and addresses of the individuals who owned, within the meaning of section 544, at any time during the last half of such taxable year, more than 50 percent in value of the outstanding capital stock of the corporation, the personal holding company tax for such year may be assessed, or a proceeding in court for the collection thereof may be begun without assessment, at any time within 6 years after the return for such year was filed.
- § 301.6501 (g) Statutory provisions; limitations on assessment and collection, certain income tax returns of corporations.

Sec. 6501. Limitations on assessment and collection. $\mbox{\tt * * *}$

(g) Certain income tax returns of corporations—(1) Trusts or partnerships. If a

taxpayer determines in good faith that it is a trust or partnership and files a roturn as such under subtitle A, and if such taxpayer is thereafter held to be a corporation for the taxable year for which the roturn is filed, such return shall be deemed the roturn of the corporation for purposes of this scation.

the corporation for purposes of this section.
(2) Exempt organizations. If a taxpayer determines in good faith that it is an exempt organization and files a return as such under section 6033, and if such taxpayer is thereafter held to be a taxable corporation for the taxable year for which the return is filed, such return shall be deemed the return of the corporation for purposes of this section.

- § 301.6501 (g)-1 Certain income tax returns of corporations—(a) Trusts or partnerships. If a taxpayer determines in good faith that it is a trust or partnership and files a return as such under subtitle A, and if the taxpayer is later held to be a corporation for the taxable year for which the return was filed, such return shall be deemed to be the return of the corporation for the purpose of section 6501.
- (b) Exempt organizations. If a taxpayer determines in good faith that it is an exempt organization and files a return as such under section 6033, and if the taxpayer is later held to be a taxable organization for the taxable year for which the return was filed, such return shall be deemed to be the return of the organization for the purpose of section 6501.
- § 301.6501 (h) Statutory provisions; limitations on assessment and collection, joint income return after separate return.

SEC. 6501. Limitations on assessment and collection. * * *

- (h) Joint income return after separate return. For period of limitations for assessment and collection in the case of a joint income return filed after separate returns have been filed, see section 6013 (b) (3) and (4).
- § 301.6502 Statutory provisions; collection after assessment.

SEC. 6502. Collection after assessment—
(a) Length of period. Where the assessment of any tax imposed by this title has been made within the period of limitation properly applicable thereto, such tax may be collected by levy or by a proceeding in court, but only if the levy is made or the proceeding begun—

(1) Within 6 years after the assessment of the tax, or

(2) Prior to the expiration of any period for collection agreed upon in writing by the Secretary or his delegate and the taxpayer before the expiration of such 6-year period (or, if there is a release of levy under section 6343 after such 6-year period, then before such release).

The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

- (b) Date when levy is considered made. The date on which a levy on property or rights to property is made shall be the date on which the notice of seizure provided in section 6335 (a) is given.
- § 301.6502-1 Collection after assessment—(a) Length of period—(1) General rule. In any case in which a tax has been assessed within the statutory period of limitation properly applicable thereto, a proceeding in court to collect

such tax may be begun, or levy for the collection of such tax may be made, within 6 years after the assessment thereof.

(2) Extension by agreement. (i) The 6-year period of limitation on collection after assessment of any tax may, prior to the expiration thereof, be extended for any period of time agreed upon in writing by the taxpayer and the district director. The extension shall become effective upon execution of the agreement by both the taxpayer and the district director.

(ii) The period of limitation on collection after assessment of any tax (including any extension of such period) may be extended after the expiration thereof if there has been a levy on any part of the taxpayer's property prior to such expiration and if the extension is agreed upon in writing prior to a release of the levy under the provisions of section 6343. An extension under this subdivision has the same effect as an agreement made prior to the expiration of the period of limitation on collection after assessment, and during the period of the extension collection may be enforced as to all property or rights to property owned by the taxpayer whether or not seized under the levy which was released.

(iii) Any period agreed upon under the provisions of this subparagraph may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(b) Date when levy is considered made. The date on which a levy on property or rights to property is made is the date on which the notice of seizure provided in section 6335 (a) is given.

§ 301.6503 (a) Statutory provisions; suspension of running of period of limitation, issuance of statutory notice of deficiency.

SEC. 6503. Suspension of running of period of limitation—(a) Issuance of statutory notice of deficiency—(1) General rule. The running of the period of limitations provided in section 6501 or 6502 on the making of assessments or the collection by levy or a proceeding in court, in respect of any deficiency as defined in section 6211 (relating to income, estate, and gift taxes), shall (after the mailing of a notice under section 6212 (a)) be suspended for the period during which the Secretary or his delegate is prohibited from making the assessment or from collecting by levy or a proceeding in court (and in any event, if a proceeding in respect of the deficiency is placed on the docket of the Tax Court, until the decision of the Tax Court becomes final), and for 60 days thereafter.

(2) Corporation forming in consolidated income tax return. If a notice under section 6212 (a) in respect of a deficiency in tax imposed by subtitle A for any taxable year is mailed to a corporation, the suspension of the running of the period of limitations provided in paragraph (1) of this subsection shall apply in the case of corporations with which such corporation made a consolidated income tax return for such taxable year.

§ 301.6503 (a)—1 Suspension of running of period of limitation; issuance of statutory notice of deficiency—(a) General rule. Upon the mailing of a notice of deficiency for income, estate, or gift tax under the provisions of section 6212, the period of limitation on assessment

and collection of any deficiency is suspended for 90 days if the notice of deficiency is addressed to a person within the States of the Union and the District of Columbia, or 150 days if such notice is addressed to a person outside the States of the Union and the District of Columbia (not counting Saturday, Sunday, or a legal holiday in the District of Columbia as the 90th or 150th day), plus an additional 60 days thereafter in either case. If a proceeding in respect of the deficiency is placed on the docket of the Tax Court, the period of limitations is suspended until the decision of the Tax Court becomes final, and for an additional 60 days thereafter. If a notice of deficiency is mailed to a taxpayer within the period of limitation and the taxpayer does not appeal therefrom to the Tax Court, the notice of deficiency so given does not suspend the running of the period of limitation with respect to any additional deficiency shown to be due in a subsequent deficiency notice.

Example. A taxpayer filed a return for the calendar year 1954 on April 15, 1955; the notice of deficiency was mailed to him (at an address within the United States) on April 15, 1958; and he filed a petition with the Tax Court on July 14, 1958. The decision of the Tax Court became final on November 6, 1959. The running of the period of limitation for assessment is suspended from April 15, 1958 to January 5, 1960, which date is 60 days after the date (November 6, 1959) on which the decision became final. If in this example the taxpayer had falled to file a petition with the Tax Court, the running of the period of limitation for accessment would then be suspended from April 15, 1953 (the date of notice), to September 12, 1958 (that is, for the 90-day period in which he could file a petition with the Tax Court, and for 60 days thereafter).

(b) Corporations joining in consolidated return. If a notice under section 6212 (a) with respect to a deficiency in tax imposed by subtitle A for any taxable year is mailed to a corporation, the suspension of the running of the period of limitations provided in section 6503 (a) (1) shall apply in the case of corporations with which such corporation made a consolidated income tax return for such taxable year.

§ 301.6503 (b) Statutory provisions; suspension of running of period of limitation; assets of taxpayer in control or custody of court.

Sec. 6503. Suspension of running of period of limitation. • • •

(b) Assets of taxpayer in control or custody of court. The period of limitations on collection after assessment prescribed in accidion 6502 shall be suspended for the period the assets of the taxpayer (other than the estate of a decedent or of an incompetent) are in the control or custody of the court in any proceeding before any court of the United States or of any State or Territory or of the District of Columbia, and for 6 months thereafter.

§ 301.6503 (b)-1 Suspension of running of period of limitation; assets of taxpayer in control or custody of court. Where the assets of a taxpayer (other than the estate of a decedent or of an incompetent) are in the control or custody of the court in any proceeding before any court of the United States or of any State or Territory of the United

States or of the District of Columbia, the period of limitation on collection after assessment prescribed in section 6502 is suspended for the period such assets are in the control or custody of the court, and for 6 months thereafter.

§ 301.6503 (c) Statutory promsions; suspension of running of period of limitation; location of property outside the United States or removal of property from the United States.

Sec. 6503. Suspension of running of period of limitation. • • •

(c) Location of property outside the United States or removal of property from the United States. In case collection is hindered or delayed because property of the taxpayer is altuated or held outside the United States, the period of limitations on collection after accessment prescribed in section 6502 shall be suspended for the period collection is so hindered or delayed. The total suspenden of time under this subsection shall not in the aggregate exceed 6 years.

§ 301.6503 (c)-1 Suspension of running of period of limitation; location of property outside the United States or removal of property from the United States. The running of the period of limitation on collection after assessment prescribed in section 6502 is suspended for the period of time that collection is hindered or delayed because property of the taxpayer is situated or held outside the United States or is removed from the United States. The total suspension of time under this provision shall not in the aggregate exceed 6 years. In any case in which the district director determines that collection is so hindered or delayed. he shall make and retain in the files of his office a written report which shall identify the taxpayer and the tax liability, shall show what steps were taken to collect the tax liability, shall state the grounds for his determination that property of the taxpayer is situated or held outside or is removed from, the United States, and shall show the date on which it was first determined that collection was so hindered or delayed. The term "property" includes all property or rights to property, real or personal, tangible or intangible, belonging to the taxpayer. The suspension of the running of the period of limitation on collection shall be considered to begin on the date so determined by the district director. A copy of the report shall be mailed to the taxpayer at his last known address.

§ 301.6503 (d) Statutory provisions; suspension of running of period of limitation; extensions of time for payment of estate tax.

Sec. 6563. Suspension of running of period of limitation. * * *

(d) Extensions of time for payment of estate tax. The running of the period of limitations for accessment or collection of any tax imposed by chapter 11 shall be suspended for the period of any extension of time for payment granted under the provisions of section 6161 (a) (2) or (b) (2).

§ 301.6503 (d)-1 Suspension of running of period of limitation; extension of time for payment of estate tax. Where an estate is granted an extension of time as provided in section 6161 (a) (2) or (b) (2) for payment of any estate

tax, the running of the period of limitations for assessment or collection of such tax is suspended for the period of time for which the extension is granted.

§ 301.6503 (e) Statutory provisions; suspension of running of period of limitation, cross references.

Sec. 6503. Suspension of running of period of limitation. * * *

(e) Cross references. For suspension in case of-

(1) Deficiency dividends of a personal holding company, see section 547 (f).

(2) Bankruptcy and receiverships, see subchapter B of chapter 70.
(3) Claims against transferees and fidu-

ciaries, see chapter 71.

§ 301.6504 Statutory provisions; cross references.

Sec. 6504. Cross references. For limitation period in case of-

(1) Adjustments incident to involuntary liquidation of inventory, see section 1321.

(2) Adjustments to accrued foreign taxes, see section 905 (c).

(3) Change of election to take standard deduction where taxpayer and his spouse make separate returns, see section 144 (b).

(4) Involuntary conversion of property, see section 1033 (a) (3) (C) and (D).

(5) Gain upon sale or exchange of resi-

dence, see section 1034 (j).

(6) War loss recoveries where prior benefit

rule is elected, see section 1335.
(7) Recovery of unconstitutional Federal

taxes, see section 1346.
(8) Limitations on deductions allowable

to individuals in certain cases, see section

270 (d).
(9) Application by executor for discharge from personal liability for estate tax, see section 2204.

(10) Insolvent banks and trust companies, see section 7507.

(11) Service in a combat zone, etc., see section 7508.

(12) Claims against transferees and fiduciaries, see chapter 71.

LIMITATIONS ON CREDIT OR REFUND

§ 301.6511 (a) Statutory provisions; limitations on credit or refund, period of limitation on filing claim.

SEC. 6511. Limitations on credit or refund—(a) Period of limitation on filing claim. Claim for credit or refund of an overpayment of any tax imposed by this title in respect of which tax the taxpayer is required to file a return shall be filed by the taxpayer within 3 years from the time the return was required to be filed (determined without regard to any extension of time) or 2 years from the time the tax was paid, whichever of such periods expires the later, or if no return was filed by the taxpayer, within 2 years from the time the tax was paid. Claim for credit or refund of an overpayment of any tax imposed by this title which is required to be paid by means of a stamp shall be filed by the taxpayer within 3 years from the time the tax was paid.

§ 301.6511 (a)-1 Period of limitation on filing claim. (a) In the case of any tax (other than a tax payable by stamp)-

(1) If a return is filed, a claim for credit or refund of an overpayment must be filed by the taxpayer within 3 years from the last date prescribed for the filing of the return (determined without regard to any extension of time for filing such return) or within 2 years from the time the tax was paid, whichever of such periods expires the later.

(2) If no return is filed, the claim for credit or refund of an overpayment must be filed by the taxpayer within 2 years from the time the tax was paid.

(b) In the case of any tax payable by means of a stamp, a claim for credit or refund of an overpayment of such tax must be filed by the taxpayer within 3 years from the time the tax was paid. For provisions relating to redemption of unused stamps, see section 6805.

(c) For limitations on allowance of credit or refund, special rules, and exceptions, see subsections (b) through (e) of section 6511. For limitations in the case of a petition to the Tax Court, see section 6512. For rules as to time return is deemed filed and tax considered paid, see section 6513.

§ 301,6511 (b) Statutory provisions; limitations on credit or refund, limitation on allowance of credits and refunds.

Sec. 6511. Limitations on credit or refund.

(b) Limitation on Allowance of Credits and Refunds—(1) Filing of claim within prescribed period. No credit or refund shall be allowed or made after the expiration of the period of limitation prescribed in subsection (a) for the filing of a claim for credit or refund, unless a claim for credit or refund

is filed by the taxpayer within such period.
(2) Limit on amount of credit or refund— (A) Limit to amount paid within 3 years.

If the claim was filed by the taxpayer during the 3-year period prescribed in subsection (a), the amount of the credit or refund shall not exceed the portion of the tax paid within the 3 years immediately preceding the filing of the claim. If the tax was required to be paid by means of a stamp, the amount of the credit or refund shall not exceed the portion of the tax paid within the 3 years immediately preceding the filing of the

(B) Limit to amount paid within 2 years. If the claim was not filed within such 3-year period, the amount of the credit or refund shall not exceed the portion of the tax paid during the 2 years immediately preceding the filing of the claim.

(C) Limit if no claim filed. If no claim was filed, the credit or refund shall not exceed the amount which would be allowable under subparagraph (A) or (B), as the case

may be, if claim was filed on the date the credit or refund is allowed.

§ 301.6511 (b)-1 Limitations on allowance of credits and refunds—(a) Effect of filing claim. Unless a claim for credit or refund of an overpayment is filed within the period of limitation prescribed in section 6511 (a) no credit or refund shall be allowed or made after the expiration of such period.

(b) Limit on amount to be credited or refunded. (1) In the case of any tax (other than a tax payable by stamp)-

(i) If a return was filed, and a claim is filed within 3 years from the last date prescribed for filing such return (determined without regard to any extension of time for such filing) the amount of the credit or refund shall not exceed the portion of the tax paid within the 3 years immediately preceding the filing of the

(ii) If a return was filed, and a claim is filed after the 3-year period described in subdivision (i) of this subparagraph but within 2 years from the time the tax was paid, the amount of the credit or refund shall not exceed the portion

of the tax paid within the 2 years immediately preceding the filing of the claim.

(iii) If no return was filed, but a claim is filed, the amount of the credit or refund shall not exceed the portion of the tax paid within the 2 years immediately preceding the filing of the claim.

(iv) If no claim is filed, the amount of the credit or refund allowed or made by the district director shall not exceed the amount that would have been allowable under the preceding subdivisions of this subparagraph if a claim had been filed on the date the credit or refund is allowed or made.

(2) In the case of a tax payable by stamp-

(i) If a claim is filed, the amount of the credit or refund shall not exceed the portion of the tax paid within the 3 years immediately preceding the filing of the claim.

(ii) If no claim is filed, the amount of the credit or refund allowed or made by the district director shall not exceed the portion of the tax paid within the 3 years immediately preceding the allowance of the credit or refund.

For provisions relating to redemption of unused stamps, see section 6805.

§ 301.6511 (c) Statutory provisions; limitations on credit or refund, special rules applicable in case of extension of time by agreement.

Sec. 6511. Limitations on credit or re-

(c) Special rules applicable in case of extension of time by agreement. If an agreement under the provisions of section 6501 (c) (4) extending the period for assessment of a tax imposed by this title is made within the period prescribed in subsection (a) for the filing of a claim for credit or refund—

(1) Time for filing claim. The period for filing claim for credit or refund or for making credit or refund if no claim is filed, provided in subsections (a) and (b) (1), shall not expire prior to 6 months after the expiration of the period within which an assessment may be made pursuant to the agreement or any extension thereof under

section 6501 (c) (4).

(2) Limit on amount. If a claim is filed, or a credit or refund is allowed when no claim was filed, after the execution of the agreement and within 6 months after the expiration of the period within which an assessment may be made pursuant to the agreement or any extension thereof, the amount of the credit or refund shall not exceed the portion of the tax paid after the execution of the agreement and before the filing of the claim or the making of the credit or refund, as the case may be, plus the portion of the tax paid within the period which would be applicable under subsection (b) (2) if a claim had been filed on the date the agreement was executed.

(3) Claims not subject to special rule. This subsection shall not apply in the case of a claim filed, or credit or refund allowed

if no claim is filed, either-(A) Prior to the execution of the agreement or

(B) More than 6 months after the expiration of the period within which an assessment may be made pursuant to the agree-ment or any extension thereof.

§ 301.6511 (c)-1 Special rules applicable in case of extension of time by agreement—(a) Scope. If, within the period prescribed in section 6511 (a) for the filing of a claim for credit or refund.

an agreement extending the period for assessment of a tax has been made in accordance with the provisions of section 6501 (c) (4) the special rules provided in this section become applicable. This section shall not apply to any claim filed, or credit or refund allowed if no claim is filed, either prior to the execution of an agreement extending the period in which assessment may be made or more than 6 months after the expiration of the period within which an assessment may be made pursuant to the agreement or any extension thereof.

(b) Period in which claim may be filed. Claim for credit or refund of an overpayment may be filed, or credit or refund may be allowed if no claim is filed, at any time within which an assessment may be made pursuant to an agreement, or any extension thereof, under section 6501 (c) (4) and for 6 months thereafter.

(c) Limit on amount to be credited or refunded. (1) If a claim is filed within the time prescribed in paragraph (b) of this section, the amount of the credit or refund allowed or made shall not exceed the portion of the tax paid after the execution of the agreement and before the filing of the claim, plus the amount that could have been properly credited or refunded under the provisions of section 6511 (b) (2) if a claim had been filed on the date of the execution of the agreement.

(2) If no claim is filed, the amount of credit or refund allowed or made within the time prescribed in paragraph (b) of this section shall not exceed the portion of the tax paid after the execution of the agreement and before the making of the credit or refund, plus the amount that could have been properly credited or refunded under the provisions of section 6511 (b) (2) if a claim had been filed on the date of the execution of the agreement.

(d) Effective date of agreement. The agreement referred to in this section shall become effective when signed by the taxpayer and the district director or an assistant regional commissioner.

§ 301.6511 (d) Statutory provisions; limitations on credit or refund; special rules applicable to income taxes.

- Sec. 6511. Limitations on credit or refund.
- (d) Special rules applicable to income taxes
- (1) Seven-year period of limitation with respect to bad debts and worthless securities. If the claim for credit or refund relates to an overpayment of tax imposed by subtitle A on account of-

(A) The deductibility by the taxpayer, under section 166 or section 832 (c), of a debt as a debt which became worthless, or, under section 165 (g), of a loss from worth-

lessness of a security, or
(B) The effect that the deductibility of a debt or loss described in subparagraph (A) has on the application to the taxpayer of a

in lieu of the 3-year period of limitation prescribed in subsection (a), the period shall be 7 years from the date prescribed by law for filing the return for the year with respect to which the claim is made. If the claim for credit or refund relates to an overpayment on account of the effect that the deductibility of such a debt or loss has on

the application to the taxpayer of a carryback, the period shall be either 7 years from the date prescribed by law for filing the return for the year of the net operating loss which results in such carryback or the period prescribed in paragraph (2) of this subsection, whichever expires the later. In the case of a claim described in this paragraph the amount of the credit or refund may exceed the portion of the tax paid within the period prescribed in subsection (b) (2) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to the deductibility of items described in this paragraph.

(2) Special period of limitation with re-

spect to net operating loss carrybacks—(A)
Period of limitation. If the claim for credit or refund relates to an overpayment attributable to a net operating loss carryback, in lieu of the 3-year period of limitation prescribed in subsection (a), the period shall be that period which ends with the expiration of the 15th day of the 39th month following the end of the taxable year of the net operating loss which results in such carryback, or the period prescribed in subsection (c) in respect of such taxable year, whichever expires later. In the case of such a claim, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsection (b) (2) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to such carryback.

(B) Applicable rules. If the allowance of a credit or refund of an overpayment of tax attributable to a net operating loss carry back is otherwise prevented by the operation of any law or rule of law other than section 7122, relating to compromices, such credit or refund may be allowed or made, if claim therefor is filed within the period provided in subparagraph (A) of this paragraph. If the allowance of an application, credit, or refund of a decrease in tax determined under section 6411 (b) is otherwise prevented by the operation of any law or rule of law other than section 7122, such application, credit, or refund may be allowed or made if application for a tentative carryback adjustment is made within the period provided in section 6411 (a). In the case of any such claim for credit or refund or any such application for a tentative carryback adjustment, the determination by any court, including the Tax Court, in any proceeding in which the decision of the court has become final, shall be conclusive except with respect to the net operating loss deduction, and the effect of such deduction, to the extent that such deduction is affected by a carryback which was not in issue in such proceeding.

(3) Special rules relating to foreign tax credit—(A) Special period of limitation with respect to foreign taxes paid or accrued. If the claim for credit or refund relates to an overpayment attributable to any taxes paid or accrued to any foreign country or to any possession of the United States for which credit is allowed against the tax imposed by subtitle A in accordance with the provisions of section 901 or the provisions of any treaty to which the United States is a party, in lieu of the 3-year period of limitation prescribed in subsection (a), the period chall be 10 years from the date prescribed by law for filing the return for the year with respect to which the claim is made.

(B) Exception in the case of foreign taxes paid or accrued. In the case of a claim described in subparagraph (A), the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsection (b) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to the allowance of a credit for the taxes described in subparagraph (A).

§ 301.6511 (d)-1 Overpayment of income tax on account of bad debts, worth-

less securities, etc. (a) (1) If the claim for credit or refund relates to an overpayment of income tax on account of-

(i) The deductibility by the taxpayer, under section 166 or section 832 (c) of a debt as a debt which became worthless. or, under section 165 (g) of a loss from the worthlessness of a security, or

(ii) The effect that the deductibility of a debt or loss described in subdivision (i) of this subparagraph has on the application to the taxpayer of a capital loss carryover provided in section 1212, or a net operating loss carryover provided in section 172 (b),

then in lieu of the 3-year period from the last date prescribed for filing the return (determined without regard to any extension of time for filing such return) in which claim may be filed or credit or refund allowed or made, as prescribed in section 6511 (a) or (b) the period shall be 7 years from the date prescribed by law for filing the return (determined without regard to any extension of time for filing such return) for the taxable year for which the claim is made or the credit or refund allowed or made.

(2) If the claim for credit or refund relates to an overpayment on account of the effect that the deductibility of a debt or loss, described in subparagraph (1) of this paragraph, has on the application to the taxpayer of a net operating loss carryback provided in section 172 (b) the period in which claim for credit or refund may be filed shall be whichever of the following two periods expires later:

(i) Seven years from the last date prescribed for filing the return (determined without regard to any extension of time for filing such return) for the taxable year of the net operating loss which

results in such carryback, or

(ii) The period which ends with the expiration of the period prescribed in section 6511 (c) within which a claim for credit or refund may be filed with respect to the taxable year of the net operating loss which resulted in the carryback.

(3) In the case of any claim described in this section, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in section 6511 (b) (2) or (c) whichever is applicable, to the extent of the amount of the overpayment attributable to the deductibility of items described in subparagraph (1) of this paragraph. Such a credit or refund cannot exceed the sum of the following:

(i) The portion, if any, of the tax paid within the period provided in section 6511 (b) (2) or (c), whichever is applicable,

(ii) The amount of overpayment due to the deductibility of items described in subparagraph (1) of this paragraph.

(4) The portion of an overpayment due to items described in subparagraph (1) of this paragraph shall be determined by treating the proper deduction of such items as the first adjustment to be made in computing such overpayment.

(b) If a claim for credit or refund is not filed within the applicable period described in paragraph (a) of this section, then credit or refund may be allowed or made only if claim therefor is filed or if such credit or refund is allowed

or made within any period prescribed in section 6511 (a) (b), or (c), whichever is applicable, subject to the provisions thereof limiting the amount of credit or refund in the case of a claim filed, or, if no claim was filed, in the case of credit or refund allowed or made within such applicable period as prescribed in section 6511 (b) or (c)

(c) The provisions of this section and section 6511 (d) (1) do not apply to an overpayment resulting from the deductibility of a debt that became partially worthless during the taxable year, but only to an overpayment resulting from the deductibility of a debt which became entirely worthless during such year.

(d) The provisions of paragraph (a) of this section with regard to an overpayment caused by the deductibility of a bad debt under section 166 or section 832 (c) or of a loss from the worthlessness of a security under section 165 (g). are likewise applicable to an overpayment caused by the effect that the deductibility of such bad debt or loss has on the application to the taxpayer of a carryover or of a carryback.

§ 301.6511 (d)-2 Overpayment of income tax on account of net operating loss carrybacks—(a) Special period of limitation. (1) If the claim for credit or refund relates to an overpayment of income tax attributable to a net operating loss carryback, provided in section 172 (b) then in lieu of the 3-year period from the last date prescribed for the filing of the return (determined without regard to any extension of time for filing such return) in which the claim may be filed or credit or refund allowed or made, as prescribed in section 6511 (a) or (b) the period shall be whichever of the following 2 periods expires later:

(i) The period which ends with the expiration of the fifteenth day of the thirty-ninth month following the end of the taxable year of the net operating loss which resulted in the carryback:

(ii) The period which ends with the expiration of the period prescribed in section 6511 (c) within which a claim for credit or refund may be filed with respect to the taxable year of the net operating loss which resulted in the carryback.

(2) In the case of a claim described in subparagraph (1) of this paragraph, the amount of the credit or refund may exceed the portion of the tax paid within the period prescribed in section 6511 (b) (2) or (c) (2) whichever is applicable, to the extent of the amount of the overpayment attributable to the carryback. Such a credit or refund cannot exceed the sum of the following:

(i) The portion, if any, of the tax paid within the period provided in section 6511 (a) (2) or (c), whichever is applicable, and

(ii) The amount of the overpayment attributable to the carryback.

(3) The portion of an overpayment attributable to a carryback shall be determined by treating the net operating loss deduction, to the extent that it is increased by the net operating loss carryback, as the first adjustment to be made in computing such overpayment. If a claim for credit or refund is not filed,

and if credit or refund is not allowed or made, within the period prescribed in this paragraph, then credit or refund may be allowed or made only if claim therefor is filed, or if such credit or refund is allowed or made, within the period prescribed in section 6511 (a), (b), or (c) whichever is applicable, subject to the provisions thereof limiting the amount of credit or refund in the case of a claim filed, or if no claim was filed, m case of credit or refund allowed or made, within such applicable period. For the limitations on the allowance of interest for an overpayment where credit or refund is subject to the provisions of this section, see section 6611 (f)

(b) Barred overpayments. If the allowance of a credit or refund of an overpayment of tax attributable to a net operating loss carryback is otherwise prevented by the operation of any law or rule of law (other than section 7122, relating to compromises) such credit or refund may be allowed or made under the provisions of section 6511 (d) (2) (B) if a claim therefor is filed within the period provided by section 6511 (d) (2) (A) and paragraph (a) of this section for filing a claim for credit or refund of an overpayment attributable to a carryback. Similarly, if the allowance of an application, credit, or refund of a decrease in tax determined under section 6411 (b) is otherwise prevented by the operation of any law or rule of law (other than section 7122) such application. credit, or refund may be allowed or made if an application for a tentative carryback adjustment is filed within the period provided in section 6411 (a) for example, even though the tax liability (not including the net operating loss deduction or the effect of such deduction) for a given taxable year has previously been litigated before the Tax Court, credit or refund of an overpayment may be allowed or made despite the provisions of section 6512 (a) if claim for such credit or refund is filed within the period provided in section 6511 (d) (2) (A) and paragraph (a) of this section. In the case of a claim for credit or refund of an overpayment attributable to a carryback, or in the case of an application for a tentative carryback adjustment, the determination of any court, including the Tax Court, in any proceeding in which the decision of the court has become final, shall be conclusive except with respect to the net operating loss deduction, and the effect of such deduction, to the extent that such deduction is affected by a carryback which was not in issue in such proceeding.

§ 301.6511 (d)-3 Special rules applicable to credit against income tax for foreign taxes—(a). Period in which claim may be filed. In the case of an overpayment of income tax resulting from a credit, allowed under the provisions of section 901 or under the provisions of any treaty to which the United States is a party, for taxes paid or accrued to a foreign country or possession of the United States, a claim for credit or refund must be filed by the taxpayer within 10 years from the last date prescribed for filing the return (determined without regard to any extension of time for filing such return) for the taxable year with respect to which the claim is made. Such 10-year period shall be applied in lieu of the 3-year period prescribed in section 6511 (a)

(b) Limit on amount to be credited or refunded. In the case of a claim described in paragraph (a) of this section. the amount of the credit or refund allowed or made may exceed the portion of the tax paid within the period prescribed in section 6511 (b) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to the allowance of a credit against income tax referred to in paragraph (a) of this section.

§ 301.6511 (e) Statutory provisions; limitations on credit or refund, special rules in case of manufactured sugar

SEC. 6511. Limitations on credit or refund.

(e) Special rules in case of manufactured sugar—(1) Use as livestock feed or for dis-tillation of alcohol. No payments shall be allowed under section 6418 (a) unless within 2 years after the right to such payment has accrued a claim therefor is filed by the

person entitled thereto.
(2) Exportation. No payment shall be allowed under section 6418 (b) unless within 2 years after the right to such payment has accrued a claim therefor is filed by the

person entitled thereto.

§ 301.6511 (e)-1 Special rules applicable to manufactured sugar-(a) Use as livestock feed and for distillation of alcohol. No payment shall be allowed or made under section 6418 (a) unless within 2 years after the date the right to such payment has accrued a claim therefor is filed by the person entitled thereto. Such right accrues as of the date the manufactured sugar, or article manufactured therefrom, is used for a purpose for which payment is allowable under section 6418 (a)

(b) Exportation. No payment shall be allowed or made under section 6418 (b) unless within 2 years after the date the right to such payment has accrued a claim therefor is filed by the person entitled thereto. Such right accrues as of the date the articles are exported.

§ 301.6511 (f) Statutory provisions: limitations on credit or refund, cross references.

SEC. 6511. Limitations on credit or refund. * * *

(1) Cross references. (1) For time return deemed filed and tax considered paid, see section 6513.

(2) For limitations with respect to certain credits against estate tax, see sections 2011 (c), 2014 (b), and 2015.
(3) For limitations in case of floor stocks

refunds, see section 6412.

(4) For a period of limitations for credit or refund in the case of joint income returns after separate returns have been filed, see section 6013 (b) (3).

§ 301.6512 Statutory provisions; limitations in case of petition to Tax Court.

Sec. 6512. Limitations in case of petition to Tax Court—(a) Effect of petition to Tax Court. If the Secretary or his delegate has mailed to the taxpayer a notice of deficiency under section 6212 (a) (relating to deficiencies of income, estate, and gift taxes) and if the taxpayer files a petition with the Tax

Court within the time prescribed in section 6213 (a), no credit or refund of income tax for the same taxable year, of glit tax for the same calendar year, or of estate tax in respect of the taxable estate of the same decedent, in respect of which the Secretary or his delegate has determined the deficiency shall be allowed or made and no suit by the taxpayer for the recovery of any part of the tax shall be instituted in any court except—

(1) As to overpayments determined by a decision of the Tax Court which has become

final; and

(2) As to any amount collected in excess of an amount computed in accordance with the decision of the Tax Court which has become final; and

(3) As to any amount collected after the period of limitation upon the making of levy or beginning a proceeding in court for collection has expired; but in any such claim for credit or refund or in any such suit for refund the decision of the Tax Court which has become final, as to whether such period has expired before the notice of deficiency was mailed, shall be conclusive.

(b) Overpayment determined by Tax Court—(1) Jurisdiction to determine. If the Tax Court finds that there is no deficiency and further finds that the taxpayer has made an overpayment of income tax for the same taxable year, or gift tax for the same calendar year, or of estate tax in respect of the taxable estate of the same decedent, in respect of which the Secretary or his delegate determined the deficiency, or finds that there is a deficiency but that the taxpayer has made an overpayment of such tax, the Tax Court shall have jurisdiction to determine the amount of such overpayment, and such amount shall, when the decision of the Tax Court has become final, be credited or refunded to the taxpayer.

(2) Limit on amount of credit or refund. No such credit or refund shall be allowed or made of any portion of the tax unless the Tax Court determines as part of its decision

that such portion was paid-

(A) After the mailing of the notice of

deficiency, or

(B) Within the period which would be applicable under section 6511 (b) (2), (c), or (d), if on the date of the mailing of the notice of deficiency a claim had been filed (whether or not filed) stating the grounds upon which the Tax Court finds that there is an overpayment.

§ 301.6512-1 Limitations in case of petition to Tax Court—(a) Effect of petition to Tax Court—(1) General rule. If a person, having a right to file a petition with the Tax Court with respect to a deficiency in income, estate, or gift tax imposed by subtitle A or B, has filed such petition within the time prescribed m section 6213 (a) no credit or refund of income tax for the same taxable year, or of gift tax for the same calendar year, or of estate tax in respect of the taxable estate of the same decedent, in respect of which a district director (or an assistant regional commissioner, appellate) has determined the deficiency, shall be allowed or made, and no suit in any court for the recovery of any part of such tax shall be instituted by the taxpayer, except as to items set forth in subparagraph (2) of this paragraph.

- (2) Exceptions. The exceptions to the rule stated in subparagraph (1) of this paragraph are as follows:
- (i) An overpayment determined by a decision of the Tax Court which has become final;
- (ii) Any amount collected in excess of an amount computed in accordance

with the decision of the Tax Court which proceeding in court for collection has has become final; and expired (see section 6502, relating to col-

(iii) Any amount collected after the expiration of the period of limitation upon levying or beginning a proceeding in court for collection.

(b) Overpayment determined by Tax Court. If the Tax Court finds that there is no deficiency and further finds that the taxpayer has made an overpayment of income tax for the same taxable year, or of gift tax for the same calendar year, or of estate tax in respect of the taxable estate of the same decedent, in respect of which a district director (or an assistant regional commissioner, appellate) has determined the deficiency, or finds that there is a deficiency but that the taxpayer has made an overpayment of such tax, the overpayment determined by the Tax Court shall be credited or refunded to the taxpayer when the decision of the Tax Court has become final. (See section 7481, relating to the date when Tax Court decision becomes final.) No such credit or refund shall be allowed or made of any portion of the tax unless the Tax Court determines as part of its decision that such portion was paid-

(1) After the mailing of the notice of deficiency, or

(2) Within the period which would be applicable under section 6511 (b) (2), (c) or (d) (see §§ 301.6511 (b)-1, 301.6511 (c)-1, 301.6511 (d)-2, and 301.6511 (d)-3), if on the date of the mailing of the notice of deficiency a claim has been filed (whether or not filed) stating the grounds upon which the Tax Court finds that there is an overpayment.

(c) Jeopardy assessments. In the case of a jeopardy assessment made under section 6861 (a), if the amount which should have been assessed as determined by a decision of the Tax Court which has become final is less than the amount already collected, the excess payment shall be credited or refunded subject to a determination being made by the Tax Court with respect to the time of payment as stated in paragraph (b) of this section.

(d) Disallowance of deficiency by reviewing court. If the amount of the deficiency determined by the Tax Court (in a case where collection has not been stayed by the filing of a bond) is disallowed in whole or in part by the reviewing court, then the overpayment resulting from such disallowance shall be credited or refunded without the making of claim therefor, subject to a determination being made by the Tax Court with respect to the time of payment as stated in paragraph (b) of this section. (See section 7481, relating to date Tax Court decision becomes final.)

(e) Collection in excess of amount determined by Tax Court. Where the amount collected is in excess of the amount computed in accordance with the decision of the Tax Court which has become final, the excess payment shall be credited or refunded within the period of limitation provided in section 6511.

(f) Collection after expiration of statutory period. Where an amount is collected after the statutory period of limitation upon the beginning of levy or a

proceeding in court for collection has expired (see section 6502, relating to collection after assessment) the taxpayer may file a claim for refund of the amount so collected within the period of limitation provided in section 6511. In any such case, the decision of the Tax Court as to whether the statutory period upon collection of the tax expired before notice of the deficiency was mailed shall, when the decision becomes final, be conclusive.

§ 301.6513 Statutory provisions; time return deemed filed and tax considered paid.

Sec. 6513. Time return deemed filed and tax considered paid—(a) Early return or adrance payment of tax. For purposes of section 6511, any return filed before the last day prescribed for the filing thereof shall be considered as filed on such last day. For purposes of section 6511 (b) (2) and (c) and section 6512, payment of any portion of the tax made before the last day prescribed for the payment of the tax shall be considered made on such last day. For purposes of this subsection, the last day prescribed for filing the return or paying the tax shall be determined without regard to any extension of time granted the taxpayer and without regard to any election to pay the tax in installments.

(b) Prepaid income tax. For purposes of section 6511 or 6512, any tax actually deducted and withheld at the source during any calendar year under chapter 24 shall, in respect of the recipient of the income, be deemed to have been paid by him on the 15th day of the fourth month following the close of his taxable year with respect to which such tax is allowable as a credit under section 31. For purposes of section 6511 or 6512, any amount paid as estimated income tax for any taxable year shall be deemed to have been paid on the last day prescribed for filling the return under section 6012 for such taxable year (determined without regard to any extension of time for filling such return).

(c) Return and payment of social security taxes and income tax withholding. Notwithstanding subsection (a), for purposes of section 6511 with respect to any tax imposed by chapter 21 or 24—

(1) If a return for any period ending with or within a calendar year is filed before April 15 of the succeeding calendar year, such return shall be considered filed on April 15 of such succeeding calendar year; and

(2) If a tax with respect to remuneration paid during any period ending with or within a calendar year is paid before April 15 of the succeeding calendar year, such tax shall be considered paid on April 15 of such succeeding calendar year.

(d) Overpayment of income tax credited to estimated tax. If any overpayment of income tax is, in accordance with section 6402 (b), claimed as a credit against estimated tax for the succeeding taxable year, such amount shall be considered as a payment of the income tax for the succeeding taxable year (whether or not claimed as a credit in the return of estimated tax for such succeeding taxable year), and no claim for credit or refund of such overpayment shall be allowed for the taxable year in which the overpayment arises.

§ 301.6513-1 Time return deemed filed and tax considered paid—(a) Early return or advance payment of tax. For purposes of section 6511, a return (other than the employment tax returns referred to in paragraph (c) of this section) filed before the last day prescribed by law or regulations for the filing

thereof shall be considered as filed on' such last day. For purposes of section 6511 (b) (2) and (c) and section 6512, payment of any portion of the tax made before the last day prescribed for payment shall be considered made on such last day. An extension of time for filing a return or for paying any tax, or an election to pay any tax in installments, shall not be given any effect in determining under this section the last day prescribed for filing a return or paying any tax.

(b) Prepaid income tax. For purposes of section 6511 (relating to limitations on credit or refund) or section. 6512 (relating to limitations in case of petition to Tax Court) any tax actually deducted and withheld at the source during any calendar year under chapter 24 (relating to collection of income tax at source on wages) shall, in respect of the recipient of the income, be deemed to have been paid by him on the 15th day of the fourth month following the close of his taxable year with respect to which such tax is allowable as a credit under section 31 (relating to tax withheld on wages) For purposes of section 6511 or 6512, any amount paid as estimated income tax for any taxable year shall be deemed to have been paid on the last day prescribed for filing the return under section 6012 (relating to persons required to make returns of income) for such taxable year (determined without regard to any extension of time for filing such return)

(c) Return and payment of social security taxes and income tax withholding. If a return of tax under chapter 21 (relating to the Federal Insurance Contributions Act) or chapter 24 (relating to the collection of income tax at source on wages) for any period ending with or within a calendar year is filed before April 15 of the succeeding calendar year or if a tax with respect to remuneration paid during any period ending with or within a calendar year is paid before "such date, for purposes of section 6511 (relating to limitations on credit or refund) the return shall be considered filed, or the tax considered paid, on April 15th of such succeeding calendar year.

(d) Overpayment of income tax credited to estimated tax. If a taxpayer elects under the provisions of section 6402 (b) to credit an overpayment of income tax for a taxable year against estimated tax for the succeeding taxable year, the amount so credited shall be considered a payment of income tax for such succeeding taxable year (whether or not claimed as a credit on the estimated tax return for such succeeding taxable year) If the treatment of such amount as a payment of income tax for the succeeding taxable year results in an overpayment for such succeeding taxable year, the period of limitations applicable to such overpayment is determined by reference to that taxable year. An election so to credit an overpayment of income tax precludes the allowance of a claim for credit or refund of such overpayment for the taxable year in which the overpayment arises.

§ 301.6514 (a) Statutory provisions: credits or refunds after period of limitation.

SEC. 6514. Credits or refunds after period of limitation—(a) Credits or refunds after period of limitation. A refund of any portion of an internal revenue tax shall be considered erroneous and a credit of any such portion shall be considered void-

(1) Expiration of period for filing claim. If made after the expiration of the period of limitation for filing claim therefor, unless within such period claim was filed; or

(2) Disallowance of claim and expiration period for filing suit. In the case of a claim filed within the proper time and disallowed by the Secretary or his delegate, if the credit or refund was made after the expiration of the period of limitation for filing suit, unless within such period suit was begun by the taxpayer.

(3) Recovery of erroneous refunds. For procedure by the United States to recover erroneous refunds, see sections 6532 (b) and

§ 301.6514 (a)-1 Credits or refunds after period of limitation. (a) A refund of any portion of any internal revenue tax (or any interest, additional amount. addition to the tax, or assessable penalty) shall be considered erroneous and a credit of any such portion shall be considered void-

(1) If made after the expiration of the period of limitation prescribed by section 6511 for filing claim therefor, unless prior to the expiration of such

period claim was filed, or

(2) In the case of a timely claim, if the credit or refund was made after the expiration of the period of limitation prescribed by section 6532 (a) for the filing of suit, unless prior to the expiration of such period suit was begun.

(b) For procedure by the United States to recover erroneous refunds, see sections 6532 (b) and 7405.

§ 301.6514 (b) Statutory provisions: credit after period of limitation.

SEC. 6514. Credits or refunds after period

of limitation. * * *

(b) Credit after period of limitation.

Any credit against a liability in respect of any taxable year shall be void if any payment in respect to such liability would be considered an overpayment under section 6401 (a).

§ 301.6514 (b)-1 Credit against barred liability. Any credit against a liability in respect of any taxable year shall be void if the collection of such liability would be barred by the applicable statute of limitations at the time such credit is

§ 301.6515 Statutory provisions; cross references.

SEC. 6515. Cross references. For limitations in case of-

- (1) Adjustments incident to involuntary liquidation of inventory, see section 1321.
- (2) War loss recoveries where prior benefit rule is elected, see section 1335.
- (3) Deficiency dividends of a personal holding company, see section 547. (4) Overpayment in certain renegotiations
- of war contracts, see section 1481. (5) Tentative carry-back adjustments, see
- section 6411. (6) Service in a combat zone, etc., see section 7508.
- (7) Suits for refund by taxpayers, see section 6532 (a).

MITIGATION OF EFFECT OF PERIOD OF LIMITATIONS

§ 301.6521 Statutory provisions; mitigation of effect of limitation in case of related taxes under different chapters.

Sec. 6521. Mitigation of effect of limitation in case of related taxes under different chapters-(a) Self-employment tax and tax on In the case of the tax imposed by chapter 2 (relating to tax on self-employment income) and the tax imposed by section 3101 (relating to tax on employees under the Federal Insurance Contributions Act).

(1) If an amount is erroneously treated as self-employment income, or if an amount is erroneously treated as wages, and

(2) If the correction of the error would require an assessment of one such tax and the refund or credit of the other tax, and

(3) If at any time the correction of the error is authorized as to one such tax but is prevented as to the other tax by any law or rule of law (other than section 7122, relating to compromises), then, if the cor-rection authorized is made, the amount of the assessment, or the amount of the credit or refund, as the case may be, authorized as to the one tax shall be reduced by the amount of the credit or refund, or the amount of the assessment, as the case may be, which would be required with respect to such other tax for the correction of the error if such credit or refund, or such assessment, of such other tax were not prevented by any law or rule of law (other than section 7122, relating to compromises).

(b) Definitions. For purposes of subsection (a), the terms "self-employment income" and "wages" shall have the same meaning as when used in section 1402 (b).

§ 301.6521-1 Mitigation of effect of limitation in case of related employee social security tax and self-employment tax. (a) Section 6521 may be applied in the correction of a certain type of error involving both the tax on self-employment income under section 1401 and the employee tax under section 3101 if the correction of the error as to one tax is, on the date the correction is authorized, prevented in whole or in part by the operation of any law or rule of law. other than section 7122, relating to compromises. Examples of such law are section 6212 (c) 6401 (a), 6501, 6511, 6512 (a) 6514, 6532, 6901 (c), (d) and (e) 7121, and 7459 (e)

(b) If the liability for either tax with respect to which the error was made has been compromised under section 7122, the provisions of section 6521 limiting the correction with respect to the other tax do not apply.

(c) Section 6521 is not applicable if, on the date of the authorization, correction of the effect of the error is permissible as to both taxes without recourse to such section.

(d) If, because an amount of wages. as defined in section 3121 (a), is erroneously treated as self-employment income, as defined in section 1402 (b), or an amount of self-employment income is erroneously treated as wages, it is necessary in correcting the error to assess the correct tax and give a credit or refund for the amount of the tax erroneously paid, and if either, but not both, of such adjustments is prevented by any law or rule of law (other than section 7122), the amount of the assessment, or the amount of the credit or refund, authorized shall reflect the adjustment

which would be made in respect of the other tax (either the tax on selfemployment income under section 1401 or the employee tax under section 3101) but for the operation of such law or rule of law. For example, assume that durmg 1955 A paid \$10 as tax on an amount erroneously treated as "wages" when such amount was actually self-employment income, and that credit or refund of the \$10 is not barred. A should have paid a self-employment tax of \$15 on the amount. If the assessment of the correct tax, that is, \$15, is barred by the statute of limitations, no credit or refund of the \$10 shall be made without offsetting against such \$10 the \$15, assessment of which is barred. Thus, no credit or refund in respect of the \$10 can be made.

(e) As another example, assume that during 1955 a taxpayer reports wages of \$4,200 and net earnings from self-employment of \$900. By reason of the limitations of section 1402 (b) he shows no self-employment income. Assume further that by reason of a final decision by the Tax Court of the United States, further adjustments to the taxpaver's income tax liability are barred. The question of the amount of his wages, as defined in section 3121, was not in issue in the Tax Court litigation, but it is subsequently determined (within the period of limitations applicable under the Federal Insurance Contributions Act) that \$700 of the \$4,200 reported as wages was not for employment as defined in section Therefore, the taxpayer is 3121 (b) entitled to the allowance of a refund of the \$14 tax paid on such remuneration under section 3101. The reduction of his wages from \$4,200 to \$3,500 would result in the determination of \$700 selfemployment income, the tax on which is \$21 for the year. Under section 6521, the overpayment of \$14 would be offset by the barred deficiency of \$21, thus eliminating the refund otherwise allowable. If the facts were changed so that the taxpayer erroneously paid tax on self-employment income of \$700, having been taxed on only \$3,500 as wages, and within the period of limitations applicable under the Federal Insurance Contributions Act. it is determined that his wages were \$4,200, the tax of \$14 under section 3101, otherwise collectible, would be eliminated by offsetting under section 6521 the barred overpayment of \$21. The balance of the barred overpayment, \$7, cannot be credited or refunded.

(f) Another illustration of the operation of section 6521 is the case of a taxpayer who, for 1955, is erroneously taxed on \$2,500 as wages, the tax on which is \$50, and who reports no self-employment income. After the period of limitations has run on the refund of the tax under the Federal Insurance Contributions Act, it is determined that the amount treated as wages should have been reported as net earnings from selfemployment. The taxpayer's self-employment income would then be \$2,500 and the tax thereon would be \$75. Assume that the period of limitations applicable to subtitle A has not expired, and that a notice of deficiency may properly be issued. Under section 6521. the amount of the deficiency of \$75 must be reduced by the barred overpayment

§ 301.6521-2 Law applicable in determination of error The question of whether there was an erroneous treatment of self-employment income or of wages is determined under the provisions of law and regulations applicable with respect to the year or other taxable period as to which the error was made. The fact that the error was in pursuance of an interpretation, either judicial or administrative, accorded such provisions of law and regulations at the time the action involved was taken is not necessarily determinative of this question. For example, if a later judicial decision authoritatively alters such interpretation so that such action is contrary to the applicable provisions of the law and regulations as later interpreted. the error comes within the scope of section 6521.

PERIODS OF LIMITATION IN JUDICIAL PROCEEDINGS

§ 301.6531 Statutory provisions; periods of limitation on criminal prosecu-

SEC. 6531. Periods of limitation on criminal prosecutions. No person shall be procecuted, tried, or punished for any of the various offenses arising under the internal revenue laws unless the indictment is found or the information instituted within 3 years next after the commission of the offence, except that the period of limitation shall be 6 years-

(1) For offenses involving the defrauding or attempting to defraud the United States or any agency thereof, whether by conspiracy

or not, and in any manner;
(2) For the offense of willfully attempting in any manner to evade or defeat any tax

or the payment thereof;
(3) For the offense of willfully aiding or assisting in, or procuring, counseling, or advising, the preparation or precentation under, or in connection with any matter arising under, the internal revenue laws, of a false or fraudulent return, affidavit, claim, or document (whether or not such faisity or fraud is with the knowledge or concent of the person authorized or required to present such return, affidavit, claim, or docu-

ment);
(4) For the offense of willfully failing to pay any tax, or make any return (other than a return required under authority of part III of subchapter A of chapter 61) at the time or times required by law or regulations:

(5) For offenses described in cections 7206 (1) and 7207 (relating to falce statements

and fraudulent documents);
(6) For the offense described in section 7212 (a) (relating to intimidation of officers and employees of the United States);

(7) For offenses described in section 7214 (a) committed by officers and employees of the United States; and

(8) For offenses arising under section 371 of Title 18 of the United States Code, where the object of the conspiracy is to attempt in any manner to evade or defeat any tex or the payment thereof.

The time during which the percon committing any of the various offences arising under the internal revenue laws is outside the United States or is a fugitive from justice within the meaning of section 3290 of Title 18 of the United States Code, shall not be taken as any part of the time limited by law for the commencement of such proceedings.

(The preceding centence shall also be deemed an amendment to section 3743 (a) of the Internal Revenue Code of 1939, and shall apply in lieu of the sentence in section 3748 (a) which relates to the time during which a person committing an offense is absent from the district wherein the same is committed, except that such amendment shall apply only if the period of limitations under cection 3748 would, without the application of such amendment, expire more than 3 years after the date of enactment of this title, and except that such period shall not, with the application of this amendment, expire prior to the date which is 3 years after the date of enactment of this title.) Where a complaint is instituted before a commissioner of the United States within the period above limited, the time shall be extended until the date which is 9 months after the date of the making of the complaint before the com-missioner of the United States. For the pur-pose of determining the periods of limitation on criminal prosecutions, the rules of section 6513 shall be applicable.

§ 301.6532 Statutory provisions; periods of limitation on suits.

Sec. 6532. Periods of limitation on suits-(a) Suits by taxpayers for refund—(1) General rule. No sult or proceeding under section 7422 (a) for the recovery of any internal revenue tax, penalty, or other sum, shall be begun before the expiration of 6 months from the date of filing the claim required under such section unless the Secretary or his delegate renders a decision thereon within that time, nor after the expiration of 2 years from the date of mailing by registered mall by the Secretary or his delegate to the taxpayer of a notice of the disallowance of the part of the claim to which the suit or proceeding relates.

(2) Extension of time. The 2-year period prescribed in paragraph (1) shall be extended for such period as may be agreed upon in writing between the taxpayer and the Sec-

retary or his delegate.

(3) Waiver of notice of disallowance. If any person files a written waiver of the requirement that he be mailed a notice of disallowance, the 2-year period prescribed in paragraph (1) shall begin on the date such waiver is filed.

(4) Reconsideration after mailing of no-tice. Any consideration, reconsideration, or action by the Secretary or his delegate with respect to such claim following the mailing of a notice by registered mail of disallowance shall not operate to extend the period within which suit may be begun.

(b) Suits by United States for recovery of

erroncous refunds. Recovery of an erroneous refund by suit under section 7405 shall be allowed only if such suit is begun within 2 years after the making of such refund, except that such suit may be brought at any time within 5 years from the making of the re-fund if it appears that any part of the refund was induced by fraud or misrepresen-tation of a material fact.

§ 301.6532-1 Periods of limitation on suits by taxpayers. (a) No suit or proceeding under section 7422 (a) for the recovery of any internal revenue tax, penalty, or other sum shall be begun until whichever of the following first occurs:

- (1) The expiration of 6 months from the date of the filing of the claim for credit or refund, or
- (2) A decision is rendered on such claim prior to the expiration of 6 months after the filing thereof.

Except as provided in paragraph (b) of this section, no suit or proceeding for the recovery of any internal revenue tax,

penalty, or other sum may be brought after the expiration of 2 years from the date of mailing by registered mail by a district director or an assistant regional commissioner to a taxpayer of a notice of disallowance of the part of claim to which the suit or proceeding relates.

- (b) The 2-year period described in paragraph (a) of this section may be extended if an agreement to suspend the running of the period of limitations is The agreement must be executed. signed by the taxpayer or by an attorney, agent, trustee, or other fiduciary on behalf of the taxpayer. If the agreement is signed by a person other than the taxpayer, it shall be accompanied by an authenticated copy of the power of attorney or other legal evidence of the authority of such person to act on behalf of the taxpayer. If the taxpayer is a corporation, the agreement should be signed with the corporate name followed by the signature of a duly authorized officer of the corporation. The agreement will not be effective until signed by a district director or an assistant regional commissioner.
- (c) The taxpayer may sign a waiver of the requirement that he be mailed a notice of disallowance. Such waiver is irrevocable and will commence the running of the 2-year period described in paragraph (a) of this section on the date the waiver is filed. The waiver shall set forth:
- The type of tax and the taxable period covered by the taxpayer's claim for refund;
 - (2) The amount of the claim;
- (3) The amount of the claim disallowed;
- (4) A statement that the taxpayer agrees the filing of the waiver will commence the running of the 2-year period provided for in section 6532 (a) (1) as if a notice of disallowance had been sent the taxpayer by registered mail.

The filing of such a waiver prior to the expiration of 6 months from the date the claim was filed does not permit the filing of a suit for refund prior to the time specified in section 6532 (a) (1) and paragraph (a) of this section.

(d) Any consideration, reconsideration, or other action with respect to a claim after the mailing by registered mail of a notice of disallowance or after the execution of a waiver referred to in paragraph (c) of this section, shall not extend the period for bringing suit or other proceeding under section 7422 (a)

§ 301.6532-2 Periods of limitation on suits by the United States. The United States may not recover any erroneous refund by civil action under section 7405 unless such action is begun within 2 years after the making of such refund. However, if any part of the refund was induced by fraud or misrepresentation of a material fact, the action to recover the erroneous refund may be brought at any time within 5 years from the date the refund was made.

§ 301.6533 Statutory provisions; cross references.

Sec. 6533. Cross references. (1) For period of limitation in respect of civil actions for

fines, penalties, and forfeitures, see section 2462 of Title 28 of the United States Code.
(2) For extensions of time by reason of

- (2) For extensions of time by reason of armed service in a combat zone, see section 7508.
- (3) For suspension of running of statute until 3 years after termination of hostilities, see section 3287 of Title 18.

GENERAL RULES

EFFECTIVE DATE AND RELATED PROVISIONS

§ 301.7851 Statutory provisions; applicability of revenue laws.

SEC. 7851. Applicability of revenue laws—
(a) General rules. Except as otherwise provided in any section of this title—

(6) Subtitle F—(A) General rule. The provisions of subtitle F [inc. chapter 66, relating to limitations] shall take effect on the day after the date of enactment of this title and shall be applicable with respect to any tax imposed by this title. * * *

Note: Chapter 66 of the Internal Revenue Code of 1954, relating to limitations, is applicable only with respect to the taxes imposed by the 1954 Code. The provisions of the Internal Revenue Code of 1939 relating to limitations are applicable with respect to the taxes imposed by the 1939 Code.

[F. R. Doc. 55-6153; Filed, July 28, 1955; 8:50 a. m.]

DEPARTMENT OF THE INTERIOR

Office of the Secretary
[50 CFR Part 101]

ALASKA COMMERCIAL FISHERIES

NOTICE OF PROPOSED RULE MAKING

Notice of intention to adopt amendments to the existing regulations for the protection of the commercial fisheries of Alaska.

Pursuant to section 4 (a) of the Administrative Procedure Act, approved June 11, 1946 (60 Stat. 237 5 U. S. C. 1003) and the authority contained in the act of June 6, 1924 (43 Stat. 465, 48 U. S. C. 221, et seq.) as amended and supplemented, notice is hereby given that the Secretary intends to take the following action:

Adopt amended regulations permitting and governing the time, means, and methods for the taking of commercial fish in the waters of Alaska, and related matters.

The foregoing regulations are to be effective beginning about February 1, 1956, and to continue in effect thereafter until further notice.

Interested persons are hereby given an opportunity to participate in considering changes in the regulations by submitting their views, data, or arguments in writing to the Director of the Fish and Wildlife Service, Department of the Interior, Washington 25, D. C., on or before November 18, 1955, or by presenting their views at a series of open discussions scheduled to be held as follows:

Dillingham, Alaska: July 30. Ketchikan, Alaska: September 1. Petersburg, Alaska: September 3. Juneau, Alaska: September 8. Sitka, Alaska: September 10. Kodiak, Alaska: September 13. Anchorage, Alaska: September 15. Cordova, Alaska: September 17. Seattle, Wash.. October 19, 20, and 21.

The hour and place of each meeting will be announced by the local representative of the Fish and Wildlife Servace at the places indicated above.

Douglas McKay, Secretary of the Interior

JULY 25, 1955.

[F. R. Doc. 55-6195; Filed, July 28, 1955; 8:46 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 52]

DRIED APPLES 1

UNITED STATES STANDARDS FOR GRADES

On August 18, 1954 (19 F R. 5222) a notice of proposed revision to the United States Standards for Grades of Dried Apples was published in the FEDERAL REGISTER affording interested parties 60 days in which to submit written data, views, or arguments. Subsequent thereto an extension of time for filing views was granted. In consideration of the views submitted, the United States Department of Agriculture has made major revisions in the aforesaid notice of proposed rule making. Notice is hereby given that the Department is considering further revisions, as herein proposed, of the current United States Standards for Grades of Dried Apples under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., 7 U. S. C. 1621 et seq.) This revision, if made effective, will be the fourth issue by tho Department of grade standards for this product.

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed revision should file the same with the Chief, Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., not later than 30 days after publication hereof in the Federal Register.

The proposed revision is as follows:

PRODUCT DESCRIPTION, STYLES, AND GRADES

Sec. 52.2481 Product description. 52.2482 Styles of dried apples. 52.2483 Grades of dried apples.

DEFINITIONS OF TERMS

52.2484 Definitions of colors.
52.2485 Definitions of uniformity of size.
52.2486 Definitions of defects and degrees of freedom from defects.
52.2487 Definitions of texture.

EXPLANATIONS AND METHODS OF ANALYSES 52.2488 Moisture.

WORK SHEET

52.2489 Work sheet for dried apples.

²Compliance with the requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.

AUTHORITY: §§ 52.2481 to 52.2489 issued under sec. 205, 60 Stat. 1090; 7 U.S. C. 1624.

PRODUCT DESCRIPTION, STYLES, AND GRADES

§ 52.2481 Product description. Dried apples are prepared from sound, properly ripened fruit of the common apple (Malus pumila) by washing, sorting, trimming, peeling, coring, and cutting into segments. The prepared apple segments are properly dried to remove the greater portion of moisture to produce a semi-dry texture. The product may be sulfured sufficiently to retard discoloration. The dried applies are sorted or cleaned, or both, to assure a clean, sound, wholesome product.

§ 52.2482 Styles of dried apples—(a) Pie pieces. Pie pieces consist predominantly of irregularly shaped segments of approximate parallel thickness.

(b) Slices (or rings) Slices (or rings) consist predominantly of circular sections or partial circular sections with open or solid centers, cut at approximate right angles to the core and of approximate parallel thickness.

(c) Wedges. Wedges consist predominantly of sectors cut longitudinally

and radially from the core.

- (d) Cuts. Cuts consists of dried apple segments of irregular shapes or irregular thicknesses, or both, which are not predominantly of a single style of pie pieces, slices (or rings) or wedges.
- § 52.2483 Grades of dried apples.
 (a) "U. S. Grade A" or "U. S. Fancy" dried apples is the quality of dried apples in the style of pie pieces, slices (or rings) or wedges in which the moisture content of the finished product is not more than 24 percent by weight, that possess similar varietal characteristics, that possess a good flavor and odor, that possess a good color, that are practically uniform in size, that are practically free from defects, and that possess a good texture.
- (b) "U. S. Grade B" or "U. S. Choice" dried apples is the quality of dried apples in the style of pie pieces, slices (or rings) or wedges in which the moisture content of the finished product is not more than 24 percent by weight, that possess similar varietal characteristics, that possess a normal flavor and odor, that possess a reasonably good color, that are reasonably uniform in size, that are reasonably free from defects, and that pos-

sess a reasonably good texture.
(c) "U. S. Grade C" or "U. S. Standard" dried apples is the quality of dried apples in the style of pie pieces, slices (or rings) wedges, or cuts in which the moisture content of the finished product is not more than 24 percent by weight, that may possess dissimilar varietal characteristics, that possess a normal flavor and odor, that possess a fairly good color; that are fairly uniform in size, except for cut style; that are fairly free from defects, and that possess a fairly good texture.
(d) "Substandard" dried apples is the

quality of dried apples that fail to meet the requirements of U.S. Grade C or U.S. Standard.

DEFINITIONS OF TERMS

§ 52.2484 Definitions of colors. (a) "Good color" means that the dried apples possess a practically uniform bright. light yellow to white color, or other practically uniform bright characteristic color, typical of dried apples that have been properly prepared and processed.

(b) "Reasonably good color" means that the dried apples possess a reasonably uniform and reasonably bright yellow to white color, or other reasonably uniform and reasonably bright characteristic color, reasonably typical of dried apples that have been properly prepared and processed.

(c) "Fairly good color" means that the dried apples possess a yellow to white color or other characteristic color that may be variable but not so variable or dark as to affect materially the appearance, edibility, or keeping quality of the product and is typical of dried apples that have been fairly well prepared and processed.

§ 52.2485 Definitions of uniformity of sizes—(a) General. Uniformity of size is applicable to those styles that are predominantly of the styles of pie pieces. slices (or rings) or wedges and does not apply to the style of cuts.

(b) Definition of a whole ring. A "whole" ring is a circular section which may possess an open or solid center and such a ring with an open center may be cut or broken in one place to the open center.

(c) Definition of a practically whole ring. A "practically whole" ring is a partial circular section, with either open or solid center, and in which at least three-fourths of the apparent whole circular section remains.

(d) Practically uniform in "Practically uniform in size" has the following meanings for the respective styles:

(1) Pie pieces. (i) Practically all of the units are approximately 1/19 inch to no more than approximately 1/4 inch in their greatest thickness;

(ii) Not less than 85 percent by weight of all the units are 1 inch or more in their longest dimension; and

(iii) Not more than 2 percent by weight of all the units may be so small as to pass readily through 516 inch square openings.

(2) Slices (or rings) (i) Practically all of the units are no more than approximately 1/4 inch in their greatest thickness:

(ii) Not less than 75 percent by weight of all the units are whole and practically whole rings; and

(iii) Not less than 75 percent by weight of all the units are 114 inches or more in their longest dimension.

(3) Wedges. (i) Not less than 90 percent by weight of all the units are 11/4 inches or more in their longest dimension and the greatest thicknesses of such units do not vary more than 1/4 inch.

(e) Reasonably uniform in size. "Reasonably uniform in size" has the following meanings for the respective styles:

(1) Pie pieces. (i) Practically all of the units are approximately $\frac{1}{10}$ inch to no more than approximately $\frac{1}{10}$ inch in their greatest thickness;

(ii) Not less than 60 percent by weight of all the units are 1 inch or more in their longest dimension; and

(iii) Not more than 6 percent by weight of all the units may be so small as to pass readily through \S_{16} inch square openings.

(2) Slices (or rings). (i) Practically all of the units are no more than approximately 1/4 inch in their greatest thickness:

(ii) Not less than 60 percent by weight of all the units are whole and practically whole rings; and

(iii) Not less than 60 percent by weight of all the units are 1¼ mches or more in their longest dimension.

(3) Wedges. (i) Not less than 75 percent by weight of all the units are 11/4 inches or more in their longest dimension and the greatest thicknesses of such units do not vary more than 1/4 mch.

(f) Fairly uniform in size. "Fairly uniform in size" has the following meanings for the respective styles:

(1) Pie pieces. (i) Practically all of the units are approximately 1/16 inch to no more than approximately 516 inch in their greatest thickness;

(ii) Not less than 40 percent by weight of all the units are 1 inch or more in

their longest dimension; and

(iii) Not more than 10 percent by weight of all the units may be so small as to pass readily through his meh square openings.

(2) Slices (or rings) (i) Practically all of the units are no more approximately % inch in their greatest thick-

(ii) Not less than 40 percent by weight of all the units are whole and practi-

cally whole rings; and
(iii) Not less than 40 percent by weight of all the units are 11/4 inches or more in their longest dimension.

(3) Wedges. (i) Not less than 50 percent by weight of all the units are 11/4 inches or more in their longest dimension and the greatest thicknesses of such units do not vary more than 516 inch.

- § 52.2486 Definitions of defects and degrees of freedom from defects—(2) Small pieces. "Small pieces" in the style of slices (or rings) means units that are less than 1 inch in their longest dimension.
- (b) Loose core. "Loose core or major portion thereof" means a practically complete core including the seed cells and carpel tissue, with or without seeds, or any part of such core that approximates one-half or more of the apparent original core. The seeds attached to such loose core or major portion thereof are not scorable as "seeds" within this section.
- (c) Seeds. "Seeds" means any loose seeds or seeds attached to carpel tissue major portion thereof."

 "Carpel tissue" that is not considered a "loose core or

means any such tissue that is not a part of a "loose core or major portion thereof."

(1) "Damaged by (e) Damaged. pieces of skin" means pieces of skin regardless of color, which in their greatest dimension exceeds 1/4 inch.

(2) "Damaged by bruises or other discoloration, bitter pit or other corky tissue, and water core" means the appearance or eating quality, or both, of the unit is materially affected by such defects. Slight, very light brown bruises

are not regarded as "damage."
(3) "Damaged by other means" refers to defects, or defective units not specifically mentioned which affect materially the appearance or edibility, or both, of the piece so damaged, but excludes any filthy, decomposed, or deleterious substance.

(4) "Damaged by calyxes and stems" means the appearance or eating quality, or both, of the unit is materially affected by such defects, and portions

thereof.

(f) Practically free from defects. "Practically free from defects" means that defects or defective units within the following limits may be present:

(1) No loose cores or major portions

thereof:

- (2) In the style of slices (or rings) not more than 5 percent, by weight, of the dried apples may be small pieces, provided such small pieces do not affect materially the appearance of the product:
- (3) Not more than 3 seeds for each 16 ounces of dried apples;

(4) Not more than 1/2 square inch of carpel tissue in the aggregate for each 21/2 ounces of dried apples; and

- (5) Not more than 10 percent, by weight, of all the units may be damaged by pieces of skin, bruises or other discoloration, bitter pit or other corky tissue. water core, other means, calyxes, and stems: Provided, That not more than 1 percent, by weight, of all the units may be damaged by calyxes and stems.
- (g) Reasonably free from defects. "Reasonably free from defects" means that defects or defective units within the following limits may be present:
- (1) No loose cores or major portions thereof:
- (2) In the style of slices (or rings), not more than 7 percent, by weight, of the dried apples may be small pieces, pro-vided such small pieces do not affect materially the appearance of the product;
- (3) Not more than 6 seeds for each 16 ounces of dried apples:

(4) Not more than 1 square inch of carpel tissue in the aggregate for each 2½ ounces of dried apples; and

- (5) Not more than 15 percent, by weight, of all the units may be damaged by pieces of skin, bruises or other discoloration, bitter pit or other corky tissue, water core, other means, calyxes, and stems: *Provided*, That not more than 2 percent, by weight, of all the units may be damaged by calyxes and stems.
- (h) Fairly free from defects. "Fairly free from defects" means that defects or defective units within the following limits may be present:
- (1) Not more than 1 loose core or major portion thereof for each 48 ounces of dried apples;
- (2) In the style of slices (or rings) not more than 10 percent, by weight, of the dried apples may be small pieces, provided such small pieces do not affect seriously the appearance of the product.
- (3) Not more than 10 seeds for each 16 ounces of dried apples:
- (4) Not more than 11/2 square inches of carpel tissue in the aggregate for each 2½ ounces of dried apples; and

(5) Not more than 20 percent, by weight, of all the units may be damaged by pieces of skin, bruises or other discoloration, bitter pit or other corky tissue, water core, other means, calyxes, and stems: Provided, That not more than 3 percent, by weight, of all the units may be damaged by calyxes and stems.

§ 52.2487 Definitions of texture—(a) Good texture. "Good texture" means that the units are semi-soft and pliable and of reasonably uniform texture with very few hard or bone-dry units.

(b) Reasonably good texture. "Reasonably good texture" means that the units may vary in pliability, are fairly uniform, and are fairly free from very hard or bone-dry units.

(c) Fairly good texture. "Fairly good texture" means that the units are typical of properly processed dried apples for the respective styles and that the texture may vary in degrees of pliability.

EXPLANATIONS AND METHODS OF ANALYSES

§ 52.2488 Moisture. "Moisture" in dried apples is determined in accordance with the applicable official method for dried fruits as outlined in the "Official Methods of Analysis of the Association of Official Agricultural Chemists" or in accordance with any other method which gives equivalent results.

WORK SHEET

§ 52.2489 Work sheet for dried apples.

Size and kind of container Container mark or identification Label or brand Not weight Style Moisture content Varietal characteristics: () Similar; () Dissimilar Flavor and odor: () Good; () Normal; () Other Color: () Good; () Reasonably good; () Fairly good				
Uniformity of S128	Grade A	Grade B	Grado O	
Pie pieces: Approximate thickness. Length, 1 meh or more (minimum) Pass thru 1/4 meh or more (maximum) Slices (or rings): Approximate thickness (maximum) Whole and practically whole rings (minimum) Length, 11/4 inch or more (minimum) Vedges: Variation in thickness (maximum) Length, 11/4 meh or more (minimum)	% to % inch	1/10 to 1/4 inch	Ho to Ho inch. 40 percent. 10 percent. 40 percent. 40 percent. 40 percent. 50 inch. 50 percent.	
lices (or rings): Small pieces (maximum) li styles: Seeds (maximum) Carpel tissue (maximum per 2½ ounces) Loose cores (maximum) Damaged, total (maximum) Includes calyxes and stems	5 per cent	7 percent	10 percent. 10 per 16 ounces. 13 square inch. 34 ounce. 20 percent. 3 percent.	

Texture: () Good; () Reasonably good; ()Fairly good.....

(All percentages are "by weight" of dried apples)

Dated: July 26, 1955.

[SEAL]

ROY W LENNARTSON. Deputy Administrator Marketing Services.

[F. R. Doc. 55-6156; Filed, July 28, 1955; 8:51 a. m.]

DEPARTMENT OF HEALTH, EDU-CATION, AND WELFARE

Food and Drug Administration I 21 CFR Part 19 I

CHEESES; PROCESSED CHEESES; CHEESE FOODS; CHEESE SPREADS; AND RELATED FOODS; DEFINITIONS AND STANDARDS OF IDENTITY

NOTICE OF PROPOSAL TO AMEND THE DEFINE-TION AND STANDARD OF IDENTITY FOR MONTEREY CHEESE

In the matter of amending the definition and standard of identity for Monterey cheese:

Notice is hereby given that a petition has been filed by the California Cheese Association, 870 Arbor Drive, San Leandro, California, whose members are engaged in the manufacture and dis-

tribution of cheese, setting forth a proposal to amend the definition and standard of identity for Monterey cheese. Pursuant to authority of the Federal Food, Drug, and Cosmetic Act (sec. 401, 52 Stat. 1046, as amended by 68 Stat. 54, 21 U.S. C. 341), and in accordance with the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (20 F R. 1996), all interested persons are invited to submit their views in writing regarding the proposal of the above-named petitioner as published in this notice. Views and comments should be submitted in quintuplicate, addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, Health, Education, and Welfaro Building, Washington 25, D. C., and should be posted prior to the thirtieth day following the date of publication of this notice in the FEDERAL REGISTER.

The proposal of the California Cheese Association is that the section title of § 19.580 (21 CFR Part 19), which prescribes the name of the cheese, be amended to read "Monterey cheese, Monterey jack cheese; identity," thus making "Monterey jack cheese" a synonym for "Monterey cheese" for the purpose of compliance with requirements of the Federal Food, Drug, and Cosmetic Act.

Dated: July 25, 1955.

GEO. P LARRICK, [SEAL] Commissioner of Food and Drugs.

[F. R. Doc. 55-6146; Filed, July 28, 1955; 8:48 a. m.]

[21 CFR Part 120]

TOLERANCES AND EXEMPTIONS FROM TOL-ERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

NOTICE OF WITHDRAWAL OF PETITIONS FOR ESTABLISHMENT OF TOLERANCES FOR RESI-DUES OF ALDRIN AND DIELDRIN

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (1) 68 Stat. 512; 21 U.S.C. 346a (d) (1)), the following notice is issued:

In accordance with § 120.8 Withdrawal of petitions without prejudice of the general regulations for setting tolerances

and granting exemptions from tolerances for pesticide chemicals in or on raw agricultural commodities (21 CFR 120.8; 20 F. R. 759), Shell Chemical Corporation, 50 West Fiftieth Street, New York, New York, has withdrawn its petitions for establishment of tolerances for residues of aldrin and dieldrin, notices of which were published in the FEDERAL REGISTER of April 15, 1955 (20 F. R. 2485, 2486) These withdrawals are without prejudice to future filings.

Dated: July 25, 1955.

GEO. P. LARRICK, Commissioner of Food and Drugs. [F. R. Doc. 55-6149; Filed, July 28, 1955; 8:49 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service

PEANUTS

NOTICE OF REDELEGATION OF FINAL AUTHOR-ITY BY THE ALABAMA STATE AGRICULTURAL STABILIZATION AND CONSERVATION COM-

The Marketing Quota Regulations for the 1955 Crop of Peanuts (19 F. R. 6134) (20 F. R. 3819) issued pursuant to the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U.S. C. 1301-1393) provides that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State committee. In accordance with section 3 (a) (1) of the Administrative Procedure Act (5 U.S. C. 1002 (a)) which requires delegations of final authority to be published in the FEDERAL REGISTER, there are set out herein the redelegations of final authority which have been made by the Alabama State Agricultural Stabilization and Conservation Committee of authority vested in such committee by the Secretary of Agriculture in the regulations referred to above. There are set out below the sections of the regulations in which such authority appears and the person of the Agricultural Stabilization and Conservation to whom the authority has been redelegated.

ALABAMA

1023 (Peanuts-1955)-1.

Sections 729.617 (b) (5) and 729.628: B. L. Collins, State Administrative Officer, of the Office of the State ASC Committee. Section 729.611 (i) County committees in

each county.

1026 (Peanuts-1955)-1.

Sections 729.653 (b) and 729.653 (c) B. L. Collins, State Administrative Officer, of the Office of the State ASC Committee.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply secs. 301, 358, 359, 361-368, 372, 373, 374, 376, 388, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 88, as amended, 66 Stat. 27; 7 U.S. C. 1301,

1358, 1359, 1361-1368, 1372, 1373, 1374, 1376, 1388)

Issued at Washington, D. C., this 22d day of July 1955.

[SEAL] EARL M. HUCHES, Administrator. Commodity Stabilization Service.

[F. R. Doc. 55-6140; Filed, July 28, 1955; 8:47 a. m.]

PEANUTS

NOTICE OF REDELEGATION OF FINAL AUTHOR-ITY BY THE OKLAHOMA STATE AGRICUL-TURAL STABILIZATION AND CONSERVATION COMMITTEE

The Marketing Quota Regulations for the 1955 Crop of Peanuts (20 F. R. 3819), issued pursuant to the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393), provides that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State committee. In accordance with section 3 (a) (1) of the Administrative Procedure Act (5 U.S. C. 1002 (a)), which requires delegations of final authority to be published in the Federal Register, there are set out herein the redelegations of final authority which have been made by the Oklahoma State Agricultural Stabilization and Conservation Committee of authority vested in such committee by the Secretary of Agriculture in the regulations referred to above. There are set out below the sections of the regulations in which such authority appears and the person of the Agricultural Stabilization and Conservation to whom the authority has been redelegated.

OKLAHOMA

Sections 729.648 (d) (3), 729.653 (b), 729.653 (c), 729.657 (b), 729.657 (c), 729.661 (b) (2), and 729.662 (d) Samuel A. Shelby, Chief, Production Adjustment Section and B. B. Boatman, Program Specialist, of the Office of the State ASC Committee.

(Sec. 375, 52 Stat. 66, as amended; 7 U.S.C. 1375. Interpret or apply secs. 301, 358, 359, 361-368, 372, 373, 374, 376, 383, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 83, as amended, 66 Stat. 27; 7 U. S. C. 1301, 1358, 1359, 1361-1368, 1372, 1373, 1374, 1376, 1383)

Issued at Washington, D. C., this 22d day of July 1955.

[SEAT.]

EARL M. HUGHES, Administrator Commodity Stabilization Service.

[F. R. Doc. 55-6141; Filed, July 28, 1955; 8:47 a. m.]

PEANUTS

NOTICE OF REDELEGATION OF FINAL AUTHOR-ITY BY THE TENNESSEE STATE AGRICUL-TURAL STABILIZATION AND CONSERVATION COMMITTEE

The Marketing Quota Regulations for the 1955 Crop of Peanuts (20 F. R. 3819) issued pursuant to the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393), provides that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State committee. In accordance with section 3 (a) (1) of the Administrative Procedure Act (5 U.S. C. 1002 (a)), which requires delegations of final authority to be published in the FEDERAL REGISTER, there are set out herein the redelegations of final authority which have been made by the Tennessee State Agricultural Stabilization and Conservation Committee of authority vested in such committee by the Secretary of Agriculture in the regulations referred to above. There are set out below the sections of the regulations in which such authority appears and the person of the Agricultural Stabilization and Conservation to whom the authority has been redelegated.

TENNESSEE

Sections 729.640 through 729.669: Joe H. Maupin, State Administrative Officer; James

No. 147----4

5438 NOTICES

L. Swingley, Administrative Officer; and John H. Allen, Administrative Assistant, of the Office of the State ASC Committee.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply secs. 301, 358, 359, 361–368, 372, 373, 374, 376, 388, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 88, as amended, 66 Stat. 27; 7 U. S. C. 1301, 1358, 1359, 1361–1368, 1372, 1373, 1374, 1376, 1388)

Issued at Washington, D. C., this 22d day of July 1955.

[SEAL]

AL] EARL M. Hughes,
Administrator
Commodity Stabilization Service.

[F. R. Doc. 55-6142; Filed, July 28, 1955; 8:47 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-593]

GROUP SECURITIES, INC. AND DISTRIBUTORS GROUP INC.

NOTICE OF FILING OF APPLICATION FOR MODIFICATION OF REPORTING REQUIRE-MENTS IN ORDER OF COMMISSION REGARD-ING EXCHANGES OF STOCK

JULY 25, 1955.

Notice is hereby given that Group Securities, Inc. ("Group"), a registered open-end diversified investment company, and Distributors Group, Incorporated ("Distributors") the principal underwriter and investment adviser of Group has filed an application pursuant to Section 6 (c) of the Investment Company Act of 1940 ("Act") for an order modifying certain provisions dealing with the filing of reports contained in an Order of the Commission dated May 13, 1949 (Investment Company Act Release No. 1299)

Group has 21 different classes of capital stock, divided into two groups—the Fund Section and the Industry Class Section. Each class of stock is separate and distinct from every other class. The assets of each class are held solely for that class and are invested in portfolio securities of the types approved for that class. Group desired in 1949 to permit holders of the stock of one class to transfer their investment to the stock of another class, charging a reduced sales load for that privilege. This necessitated an exemption from certain provisions of the Act.

Section 11 (a) of the Act prohibits exchanges of securities of open-end investment companies, including exchanges between various classes or series of stocks of the same company, on any basis other than the net asset values of the respective securities to be exchanged. An exception, however, is provided in the case of multiple-class investment companies whose charter or by-laws permit exchanges between the classes or series of stocks upon specified terms. The charter and by-laws of Group, unlike other multiple-class investment companies, contain no provisions conferring such conversion rights upon the holders of its securities.

Section 22 (d) prohibits the sale of securities of open-end companies to the public except at a current public offering price described in the prospectus. An

exemption is provided, however, in the case of exchange offers permitted under Section 11, i. e., where no sales load is charged or when the sales load to be charged is set forth in the charter or by-laws. Since, in the present case, the reinvestment transactions are effected at a reduced sales load which is not set forth in the charter or by-laws of Group, the permission in Section 11 (b) is inapplicable, and the exemption in Section. 22 (d) does not cover the situation. Without an appropriate exemptive order under Section 6 (c) of the Act Group would be prohibited by Section 11 (a) and Section 22 (d) from offering to effect reinvestment transactions at a reduced sales load since it would not constitute "a current public offering price" open for acceptance by all persons, but rather only those members who already held shares in one of the classes of stock of Group:

Group obtained an exemptive order in 1949 and has been operating under it since that time. The order was issued subject to the proviso that as long as the exemption from Section 11 (a) of the Act is in effect, Group shall file with the Commission, not later than 30 days after the close of each calendar year ending after the date of the order, the following information:

(a) The number of transactions and dollar amount (including sales load) of initial sales, reinvestment sales and total sales of the various classes of stock for the preceding calendar year and for each month thereof;

(b) The percentage of reinvestment sales to gross sales of each class of stock for the preceding calendar year and for each month thereof;

(c) The loading percentages on initial sales and on reinvestment sales for each class of stock;

(d) The number of transactions and dollar amount of redemptions on reinvestment sales, redemptions on liquidations and total redemptions for each class of stock for the preceding calendar year and for each month thereof; and,

(e) The net value of assets applicable to each class of capital stock at the end of the preceding calendar year and at the end of each month thereof.

The applicants request that the said order of the Commission be modified so as to require that the data called for by subparagraphs (a) (b) and (d) quoted above for all classes of capital stock of Group be in the aggregate rather than for each class separately and to eliminate the requirements of subparagraphs (c) and (e)

In support of their request, applicants state that the detailed information required in the Commission's order necessitates a considerable amount of additional clerical work on the part of the employees of Group as well as considerable expense.

On the other hand, it is stated, preparation of the required information on an aggregate basis for all classes, without a class by class breakdown would not be expensive or burdensome and is normally compiled by Group for its own information. The application states that since the proportion of reinvestment sales is small in relation to gross sales and redemption, it is believed that the detailed breakdown is not significant and that the aggregate figures provide

adequate data for supervision both by the company and by the Commission. With respect to the elimination of subparagraph (c), applicants state the sales charges are set forth in the prospectus and the required information is superfluous.

Notice is further given that any interested person, may, not later than August 8, 1955, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the Rules and Regulations promulated under the Act.

By the Commission.

[SEAL]

ORVAL L. DuBois, Secretary.

[F. R. Doc. 55-6136; Filed, July 28, 1955; 8:46 a. m.]

[File No. 811-306]

PETROLEUM AND TRADING CORP.

NOTICE OF APPLICATION FOR ORDER DECLAR-ING THAT COMPANY HAS CEASED TO BE AN INVESTMENT COMPANY

JULY 25, 1955.

Notice is hereby given that Petroleum and Trading Corporation ("Applicant"), a Delaware corporation and a closed-end, non-diversified investment company registered as such under the Investment Company Act of 1940 ("Act") has filed an application and an amendment thereto pursuant to Section 8 (f) of the Act for an order declaring that Applicant has ceased to be an investment company under the Act, by virtue of the provisions of Section 3 (c) (1) of the Act.

The application makes the following representations:

The only outstanding securities of Applicant consist of 85,915 shares of Class A, \$1 cumulative, participating callable preferred stock (hereinafter referred to as Class "A" stock) and 10,000 shares of Class B common stock without par value (hereinafter referred to as Class "B" stock) having sole voting rights.

The Applicant was organized in 1928 by Carl H. Pforzheimer & Co., members of the New York Stock Exchange, as a medium for investment by its partners and their families and by employees and

customers of the firm.

All of the outstanding Class "B" stock of the Applicant is owned by Carl H. Pforzheimer & Co., a partnership consisting of five individuals, three of whom have in the aggregate 100 percent of the beneficial interest in the partnership's holdings of such stock. About 90 percent of the outstanding Class "A" stock of Applicant is owned beneficially by partners of Carl H. Pforzheimer & Co., mem-

bers of the partners' families and several corporations associated with partners. The 85,915 shares of outstanding Class "A" stock are owned by twelve trusts having a total of 11 individual beneficiaries, six of whom are also direct beneficial owners of shares of such class of stock; by 73 direct individual beneficial owners, including the three persons who beneficially own all of the outstanding Class "B" stock of Applicant, and by four corporations, none of which owns as much as 10 percent of the outstanding Class "A" stock of the Applicant.

The Applicant claims that its outstanding securities are therefore beneficially owned by less than 100 persons; and it asserts that it is not now making, and does not presently propose to make, a public offering of its securities. The Applicant therefore requests the issuance of an order under section 8 (f) of the Act declaring that it has ceased to be an investment company by virtue of the provisions of section 3 (c) (1) of the Act.

Section 3 (c) (1) of the Act exempts from the definition of an "investment company" any issuer whose outstanding securities (other than short-term paper) are beneficially owned by not more than one hundred persons and which is not making and does not presently propose to make a public offering of its securities. Section 8 (f) of the Act provides, in part, that whenever the Commission, upon application finds that a registered company has ceased to be an investment company, it shall so declare by order and upon the taking effect of such order the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than August 10, 1955, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the Rules and Regulations promulgated under the

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Secretary.

[F. R. Doc. 55-6137; Filed, July 28, 1955; 8:46 a. m.]

[File No. 812-948]

E. I. DU PONT DE NEMOURS AND CO.

NOTICE OF FILING OF APPLICATION FOR ORDER EXEMPTING CERTAIN TRANSACTIONS BETWEEN AFFILIATES

JULY 25, 1955.

Notice is hereby given that E. I. du Pont de Nemours and Company ("Du-Pont") which is controlled by Christiana Securities Company, a registered closedend non-diversified investment company. which is in turn controlled by Delaware Realty and Investment Company, also a registered closed-end non-diversified investment company, has filed an application pursuant to Section 17 (b) of the Investment Company Act of 1940 ("Act") for an order exempting from the provisions of Section 17 (a) of the Act certain transactions incident to a partial liquidation of The Equitable Powder Manufacturing Company ("Equitable") which is jointly owned by DuPont and Olin Mathieson Chemical Corporation ("Olin")

Equitable and its subsidiaries are engaged in the manufacture and sale of dynamite, black powder, blasting caps, railway fuses and torpedoes, and highway safety signals. Equitable has outstanding 5,000 shares of \$100 par value common stock of which 2,450 shares (49 percent) are owned by DuPont and the balance of 2,550 shares (51 percent) are owned by Olin.

DuPont and Olin have agreed, subject to certain conditions including the issuance of an appropriate order of this Commission, to a plan of partial liquidation of Equitable, whereby DuPont will exchange its holdings of 2,450 shares of common stock for cash and other assets of Equitable as described below.

On the date of liquidation, Equitable will distribute to DuPont against the surrender for cancellation of the 2,450 shares of its common stock held by DuPont, an aggregate amount in cash and/or securities estimated at \$4,638,680 arrived at as follows:

(a) \$1,250,000 consisting of (1) \$1,-130,000 representing 49 percent of the agreed value of the operating assets of Equitable on December 31, 1954; and (2) \$120,000 representing 49 percent of 90 percent of Equitable's estimated net income for the first six months of 1955; plus

(b) 49 percent of the value of the other assets owned by Equitable, consisting of marketable securities, cash, and miscellaneous assets which, based on market values at May 31, 1955, amounted to \$3,388,680.

The payment of the amount to be distributed by Equitable to DuPont may be made at Olin's discretion either in cash or partly in cash and partly in marketable securities in Equitable's portfolio.

Since the common stock of Equitable is closely held there is no quoted market value for its stock. In determining the liquidating value of the Equitable stock, it was decided to segregate the operating assets from the non-operating assets and to evaluate each group separately. It was agreed that the appropriate method for evaluating the operating assets would be on the basis of the earnings of such assets, and that the proper basis for the evaluation of the non-operating assets which are comprised principally of marketable securities and cash would be the current market prices of such securities.

The value assigned to the operating assets is \$2,306,122, which is equivalent to approximately 9.3 times the average annual net operating earnings of \$248,864 for the years 1950 to 1954, inclusive. DuPont, as indicated above, will receive

for its 49 percent interest \$1,130,000, plus \$120,000 which represents a 49 percent interest in estimated operating earnings for six months ended June 30, 1955, reduced by 10 percent to allow for possible overstatement.

Generally speaking, section 17 (a) of the act prohibits an affiliated person of a registered investment company or any affiliated person of such a person, from selling to, or purchasing from such registered investment company or any company controlled by such registered investment company, any se-curities or property subject to certain exceptions, unless the Commission upon application pursuant to section 17 (b) grants an exemption from the provisions of section 17 (a) after finding that the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, that the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the Act and is consistent with the general purposes of the act.

Equitable is by definition under the Act an affiliated person of registered investment companies (Delaware Realty and Investment Company, and Christiana Sceurities Company) and since DuPont is controlled by such investment companies, the proposed transactions are subject to the provisions of section 17 (a) Applicant represents that Olin is not affiliated with DuPont or its controlling investment companies and that the terms of the liquidation are the result of extended negotiations over a long

period of time.

Notice is further given that any interested person may, not later than August 4, 1955, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the Rules and Regulations promulgated under the Act.

By the Commission.

[SEAL] ORVAL I. DUBOIS,
Secretary.

[F. R. Doc. 55-6138; Filed, July 28, 1955; 8:47 a. m.]

DEPARTMENT OF COMMERCE

Maritime Administration

PACIFIC TRANSPORT LINES, INC.
NOTICE OF APPLICATION

Notice is hereby given of the application of Pacific Transport Lines, Inc., seeking the written permission of the Maritime Administrator under section B. Maximum cost and financing: 805 (a) of the Merchant Marine Act, 1936, as amended, 46 U.S. C. 1223, for the Matson Navigation Company as subcharterer from States Steamship Company to operate the S. S. "Arizona" for a round voyage from the Pacific Coast of the United States of America to Hawaii and return, said voyage to commence approximately August 2, 1955.

Under the provisions of section 805 (a) the Maritime Administrator may not grant his approval of any such application if the Administrator finds it will result in unfair competition to any person firm, or corporation operating exclusively in the coastwise or intercoastal service or that it will be prejudicial to the objects and policy of the act.

Any person, firm or corporation having any interest in such application and desiring a hearing on issues pertinent to section 805 (a) should notify the Secretary of the Maritime Administration, Washington 25, D. C., on or before August 3, 1955, and should file petitions for leave to intervene in accordance with § 201.74 of the Federal Maritime Board/Maritime Administration's Rules of Practice and Procedure (18 F R. 3716)

Dated: July 27, 1955.

By order of the Maritime Administrator.

[SEAL]

GEO. A. VIEHMANN. Assistant Secretary.

[F. R. Doc. 55-6184; Filed, July 28, 1955; 9:08 a. m.]

GENERAL SERVICES ADMIN-**ISTRATION**

[Project No. 3-DC-01]

FEDERAL OFFICE BUILDING

PROSPECTUS FOR PROPOSED BUILDING IN SOUTHWESTERN PORTION OF THE DIS-TRICT OF COLUMBIA

EDITORIAL NOTE: This prospectus of proposed Project Number 3-DC-01 is published pursuant to section 412 (1) of the Public Buildings Purchase Contract Act of 1954, as amended by Public Law 150, 84th Congress, which requires publication in the FEDERAL REGISTER for a period of ten consecutive days from date of submission to the Committees on Public Works of the Senate and House of Representatives.

Project Number 3-DC-01

PROSPECTUS FOR PROPOSED BUILDING TINDER TITLE I, PUBLIC LAW 519, 83D CONGRESS, 2D

FEDERAL OFFICE BUILDING, WASHINGTON, D. C.

A. Brief description of proposed building: The project contemplates the erection of a Federal Office Building on a site to be acquired in the Southwest redevelopment area.

The proposed building will be a six-story and penthouse structure, stone exterior, with cafeteria included, and air conditioned throughout. It will have a gross floor area of 815,000 square feet, that will provide 558,000 square feet of net space, of which 500,000 square feet will be office area, 10,000 square feet for shops, 34,000 square feet for cafeteria, and 14,000 square feet for custodial, health unit, etc.

. Maximum cost and financing:	
1. Total over-all value of project	\$20, 200,000
±	
a. Items not included in purchase contract:	
(1) Architectural \$995,000	
(2) Land 2,500,000	
<u></u>	\$3,495,000
b. Purchase contract costs:	
(1) Improvements	\$16, 705, 000
2. Contract Term	to 25 years
3. Maximum rate of interest on purchase contract	4%
Estimated annual costs:	- 10
1. 25 Year Contract Term:	
a. Purchase contract payments:	
(1) Amortization and interest\$1,069,320	
(2) Taxes 251, 213	
Rate per net sq. ft. \$2.37.	\$1,320,533
b. Costs not included in purchase contract payments:	φ1, 020, 033
(1) Custodial and utilities\$538,000	
- (2) Repair and maintenance 82,000	
Rate per net sq. ft. \$1.11.	4000 000
	\$620,000
c. Total Estimated Annual Cost	61 040 COD
	φ1, 940, b33
2. Second 25 Year Term:	
a. Custodial and utilities	AFRR 000
b. Repairs and maintenance	\$538,000
St. 100 parts and mannerance	160,000
c. Total Estimated Annual Cost	000 000
	\$698,000
3. 50 Year Average:	
a. Total Estimated Annual Cost	41 040 000
4. Annual Rental Costs for Comparable Space (Net Agency)	41 000 000
5. Maximum Annual Payment Permitted	40.000.000
•	
Nomes All antimotes based on 1055 miles levels	

Note: All estimates based on 1955 price levels.

D. Present annual rental and other housing costs:

	Net sq.	Unit cost	Total cost
Existing Tempo's 4, 5 and T (or comparable space), to be supplanted by proposed building	500, 522	\$0.99	\$495, 760

E. Justification of project:
1. Lack of Suitable Space:
a. The needs for space for the permanent activities of the Federal Government cannot be satisfied by utilization of existing Government-owned space.

b..Suitable rental space of comparable sort and characteristics is not available at a price commensurate with that to be afforded through the contract proposed. c. The space requested and proposed is needed for permanent activities of the Fed-eral Government.

d. The best interest of the Government will be served by taking the action proposed. 2. Existing Conditions:

During the past several years there has been an active and widespread movement on the part of the public and Governmental agencies, notably the Commission of Fine Arts, concerning the removal of World War I and II Tempos and the restoration of the park lands.

Data compiled as of December 31, 1954, indicates that the Federal Government is currently utilizing four (4) World War I Tempo's, providing 2,083,903 square feet of net agency space, with 16,506 personnel; and 35 World War II Tempo's, providing 3,585,063 square feet, with 22,823 personnel. In summary, 39 Tempo's, providing a total of 5,668,-966 square feet of net agency space, with aggregate personnel of 39,329. The aforementioned figures do not include space or personnel of the Central Intelligence Agency.

The Congress, long sympathetic to the insistent demand for the razing of the Tempo's has considered several proposed bills to accomplish this purpose. Among these was S 1290, passed in the Senate on June 8, 1955, and enacted as Public Law 150, 84th Congress, approved July 12, 1955. That law expressly manifests the intent of Congress that (1) provision of accommodations for executive agencies by GSA as a part of the program for redevelopment of the southwest portion of the District of Columbia be accom-plished on a lease-purchase basis and (2) temporary space of equivalent occupancy be demolished.

The proposed building will provide approximately 509,000 square feet of net office space, to accommodate equivalent personnel dispossessed from temporary buildings contemplated for initial demolition under current long-range planning programs.

3. Direct and Indirect Benefits Expected to Accrue.

a. Agencies whose related operations are scattered among two or more locations will be able to concentrate all of them in a single location and thereby realize appreciable economies deriving from such factors as contiguity of operating elements, immediate accessibility of employees and records, and elimination of transportation and communication delays.

b. The accommodation of Federal agencies in a single building will provide flexibility in making internal reassignments of agency space where increases or decreases in requirements occur.

c. The proposed building will be functional in concept and devoid of excessive embellishment and extravagant appointments The design of the building and facilities will provide for the utmost economy in construction; maintenance and operation costs considered. It will be provided with modern fittings, appointments and conveniences comparable to those provided in buildings of private enterprise. Maintenance and improvement of employee morale and the consequent increasing of employee efficiency over a period of years may thus be confi-dently expected to result in intangible though nonetheless real economies.

F. Analysis of project space:

- 1. Since this project is intended to provide for relocation of numerous Federal activities now housed in temporary buildings, no specific allocation of space among agencies can be made. Therefore requirement for Certificate of Need otherwise required by Section 411 (e) of the Public Buildings Purchase Contract Act of 1954 was waived in Public Law 150, 84th Congress.
- 2. Space:

a. Distribution:

Accrece		Tempo's 4, 5, and T proposed			
Agency	Net sq. ft.	Personnel	Net sq. st.	Perconnel	
The specific allocation of agencies to be quartered in the proposed building has not been presently determined. Subtotal, Agency Space		3,072	200,000 22,000 2,000 34,000	3,700 132 3 13	
Total	500,520	3,072	600,823	3,835	
b. Utilization: Agency Space—sq. ft. per person Total Space—sq. ft. per person. c. Efficiency: Ratio, net to gross (net of the state	assignable)	\$12, 1, 8		135 144 68.55 15, 160, 000	
3. Total Cost of Improvement 4. Costs Not Included in Purchase Contract: a. Architectural				16, 705, 000	

b. Land to be acquired (Est. Cost)______ 2,500,000

5. Total over-all value of project

H. Other selected data:

1. The proposed contract provisions will not exceed the amount necessary to:

a. Amortize principal.

b. Provide interest not to 4% of the outstanding principal.

c. Reimburse contractor for the cost of taxes and interest during construction.

d. Reimburse contractor for proportional charge for redevelopment general area, streets and utilities.

2. It is proposed to make awards on financing and construction by competition.

3. Estimated completion date for the project is 40 months from date of final approval. 4. Taxes computed on basis of 75% ratio

and \$22.00 per \$1,000.

5. Insurance included during construction only as part of total cost borne by construction contractor. During post-construction period Government will act as self-insurer.

Project Number 3-DC-01

Submission

Submitted at Washington, D. C.

Recommended:

[S] PETER A. STROBEL Commissioner of Public Buildings Service, General Services Administration.

Approved:

[S] A. E. SNYDER, Acting Administrator, General Services Administration. Statement of Director, Bureau of the Budget EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D. C.

Project 3-DC-01 Federal Office Building. Southwest Redevelopment Area, Washington, D. C.

MY DEAR MR. MANSURE:

JULY 22, 1955.

83, 495, 000

820, 200, 000

Pursuant to section 411 (e) (8) of the Public Buildings Purchase Contract Act of 1954 (Public Law 519), the proposal for a Federal Office Building, transmitted with your letter of June 28, 1955, has been ex-

amined and in my opinion "is necessary and in conformity with the policy of the Presi-dent." This approval is given with the following understandings:

1. That the project cost of \$20,200,000 (including \$2,500,000 for land to be acquired) is a maximum figure.

2. That the reported annual operating cost of existing Tempos 4, 5 and T, i. e., 90¢ per sq. ft., represents minimum maintenance in anticipation of demolition, and that temporary Government buildings actually cost more to maintain than the proposed new building.

3. That the proposed building will house some 10 percent of Federal employes pres-ently housed in temporary buildings, and that the specific allocation of agencies in the proposed building is to be determined later by GSA.

4. That every effort will be made to design and construct space conducive to maximum efficient utilization and to take advantage of any revision of cost downward which may be found possible as the plans develop and negotiations are advanced.

You appreciate, of course, that this project will receive a more detailed review as to cost and space utilization prior to approval of the leace-purchase agreement. Sincerely yours,

[Signed] ROWLAND HUGHES. Director.

HON. EDMUND F. MANSURE,

Administrator, General Services Administration, Washington 25, D. C.

[F. R. Doc. 55-6130; Filed, July 26, 1955; 10:09 a. m.1

CIVIL AERONAUTICS BOARD

[Docket Nos. 6429, 6957]

PAN AMERICAN WORLD AIRWAYS TRANS-PACIFIC AND LATIN AMERICAN TEMPORARY Mail Rates (1955)

NOTICE OF HEARING

In the matter of the fair and reasonable temporary mail rates for Pan American World Airways, Inc. Pacific and Latin American Divisions effective January 1, 1955.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, particularly sections 2, 205, 406, and 1001 thereof, and Reorganization Plan 10, that a hearing in the above-entitled proceeding is assigned to be held on August 4, 1955, at 10:00 a.m., eastern daylight saving time, in Room No. E-210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue, Washington, D. C., before Examiner Paul N. Pfeisser.

Notice is further given that any person, other than a party of record, desiring to be heard in this proceeding must file with the Board on or before August 4, 1955, a statement setting forth the issues of fact or law to be presented.

Dated at Washington, D. C., July 25, 1955.

[SEAL]

FRANCIS W. BROWN. Chief Examiner

[F. R. Doc. 55-6154; Filed, July 23, 1955; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-8763]

LONE STAR GAS CO.

NOTICE OF APPLICATION AND DATE OF HEARING

JULY 25, 1955.

Take notice that Lone Star Gas Company (Lone Star), a Texas Corporation with its principal place of business at 301 South Harwood Street, Dallas 1, Texas, filed on April 14, 1955, an application which was supplemented on April 29, and June 20, 1955, for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act. authorizing the construction and opera5442 **NOTICES**

tion of approximately 230 miles of pipe line extended from its existing system in Cotton County, Oklahoma, to a point near Fritch, in Hutchison County, Texas; the operation of certain pipe line and related facilities not heretofore used in the transportation of gas in interstate commerce; and the abandonment of certain minor pipe line facilities, all as more fully described in the application on file with the Commission and open for public inspection.

Applicant proposes to transport through the above facilities and sell to Natural Gas Pipe Line Company of America, 100,000 Mcf of natural gas per day at a price of approximately 20.5 cents per Mcf, as compared with a claimed cost by Natural Gas Pipe Line Company in Docket No. G-4280 of 35.6 cents.

The estimated cost of the facilities is \$18,749,600 and will be financed by the issuance of securities.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held on September 12, 1955, at 10:00 a. m., e. d. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington 25, D. C., concerning the matters involved in and the issues presented by such application.

Protests, petitions to intervene, or notices of intervention may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Rules of Practice and Procedure (18 CFR 1.8 or 1.10) on or before August 22, 1955.

LEON M. FUQUAY, Secretary.

[F. R. Doc. 55-6145; Filed, July 28, 1955; 8:48 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[Bureau Order 551, Amdt. 15]

REDELEGATIONS OF AUTHORITY

Order No. 551, as amended (16 F R. 2939, 5456, 7467, 8252; 17 F. R. 3516, 7552; 18 F R. 7305; and 19 F. R. 1936, 3482, 3971, 4544, 4585, 7416; 20 F R. 1562, 2694, 2894) is further amended as hereinafter indicated.

1. A new section 26 Competency Certificates, Crow Indians, is added under the heading, Functions Relating to Indian Lands and Minerals, to read as fol-

Sec. 26 Competency Certificates, Crow Indians. The approval of competency certificates of Crow Indians pursuant to 25 CFR Part 243.

2. A new section 266 Osage Headrights is added under the heading, Functions Relating to Funds and Fiscal Matters, to read as follows:

Sec. 266 Osage Headrights. The approval of transfers of Osage headrights belonging to any person not an Indian by blood, pursuant to the provisions of the act of April 12, 1924 (43 Stat. 94)

3. A new section 323 Negotiated Contracts for Personal and Professional Services is added under the heading, Functions Relating to Procurement Matters, to read as follows:

SEC. 323 Negotiated Contracts for Personal and Professional Services. The negotiation, without advertising, of short-term contracts for specialized or technical personal or professional services in the Gallup Area, subject to the conditions imposed by the Administrator of General Services in the delegation of authority 19 F. R. 275.

4. A new section 350 Authority under 25 CFR and a new heading, Functions Relating to General Matters, are added to read as follows:

FUNCTIONS RELATING TO GENERAL MATTERS

SEC. 350 Authority under 25 CFR. The taking of action with respect to those matters for which authority has been delegated to the Superintendents in 25 CFR.

> W. BARTON GREENWOOD. Assistant Commissioner

JULY 25, 1955.

[F. R. Doc. 55-6132; Filed, July 28, 1955; 8:45 a. m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 26, 1955.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the General Rules of Practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 30878: Paper envelopes-Urbana, Ohio, to Memphis, Tenn., and New Orleans, La. Filed by F C. Kratzmeir, Agent, for interested rail carriers. Rates on paper envelopes, carloads, from Urbana, Ohio to Memphis, Tenn., and New Orleans, La.

Grounds for relief: Circuitous routes, in part west of the Mississippi River.

FSA No. 30879: Plaster and related articles in Official Territory. Filed by H. R. Hinsch, Agent, for interested rail carriers... Rates on plaster and related articles, also gypsum wallboard and related articles, carloads, between points in official territory.

Grounds for relief: Maintenance of present through one-factor rates from or to more distant points in other territories without observing truck competitive rates between points in official territory as factors in constructing lower combination rates.

FSA No. 30880: Bituminous fine coal to Grainite Falls, Minn. Filed by F C. Kratzmeir, Agent, for interested rail carriers. Rates on bituminous fine coal, carloads, from specified points in Arkansas, Kansas, Missouri, and Oklahoma to Grainite Falls, Minn.

Grounds for relief: Barge-rail-truck competition and circuity.

Tariff: Supplement 104 to Agent Kratzmeir's I. C. C. 3920.

FSA No. 30881. Lumber and related articles to North Dakota. Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on lumber and related articles, carloads, from specified points in southern territory to specified points ın North Dakota.

Grounds for relief: Grouping and circuitous routes.

Tariff: Supplement 124 to Agent

Spaninger's I. C. C. No. 1101. FSA No. 30882: Red Lauan veneer from Jackson, Tenn. Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on red lauan veneer, carloads, from Jackson, Tenn., to Grand Rapids, Detroit, Benton Harbor, Manistee, Saginaw, Mich., Dubuque, Iowa, and St. Louis, Mo.

Grounds for relief: Motor truck competition and circuity.

Tariff: Supplement 14 to Agent Spaninger's I. C. C. 1412.

FSA No 30883: Petroleum Products-Panama City, Fla., to Pratt City, Ala. Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on gasoline, kerosene, naphtha, or naphtha distillate, tank-car loads, from Panama City, Fla., to Pratt City, Ala.

Grounds for relief: Circuitous routes. Tariff: Supplement 212 to Agent Span-

inger's I. C. C. 1253.

FSA No. 30884. Motor-rail rates—
Missouri-Kansas-Texas Railroad et al. Filed by Middlewest Motor Freight Bureau, Agent, for interested rail and motor carriers. Rates on various commodities in loaded highway trailers in railroad flat cars between (a) St. Louis, Mo., and Dallas, Tex., and Oklahoma City, Okla., and (b) Kansas City, Kans., and Dallas, Texas, Oklahoma City and Tulsa, Okla.

Grounds for relief: Competition with motor carriers.

Tariff: Supplement 25 to Middlewest Motor Freight Bureau, MF-I. C. C. 223.

FSA No. 30085: Motor-rail rates-Missouri-Texas-Kansas Railroad et al. Filed by Middlewest Motor Freight Bureau, Agent, for interested rail and motor carriers. Rates on various commodities m loaded highway trailers on railroad flat cars between St. Louis, Mo., and Dallas, Tex., and Oklahoma City and Tulsa, Okla.

Grounds for relief: Motor truck competition.

Tariff: Supplement 25 to Middlewest Motor Freight Bureau, MF-I, C. C. No.

FSA No. 30086: Fine coal-Indiana mines to Chicago, Ill. Filed by The Chicago, Indianapolis and Louisville Railway Company for itself and on behalf of the Illinois Central Railroad Company. Rates on bituminous fine coal, carloads from origins in Indiana in the Linton

district to Chicago, Ill.
Grounds for relief: Maintenance of origin mine rate relations to destinations in Chicago district.

By the Commission.

[SEAL] HAROLD D. McCoy. Secretary.

[F. R. Doc. 55-6144; Filed, July 28, 1955; 8:48 a. m.]

SMALL BUSINESS ADMINISTRA-TION

[Declaration of Disaster Area 55]

MINNESOTA

DECLARATION OF DISASTER AREA

Whereas, it has been reported that beginning on or about July 7, 1955, because of the disastrous effects of Tornado, damage resulted to residences and business property located in certain areas in the State of Minnesota; and

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected; and

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act of 1953;

Now, therefore, as Administrator of the Small Business Administration, I

hereby determine that:

1. Applications for disaster loans under the provisions of Section 207 (b) of the Small Business Act of 1953 may be received and considered by the Office below indicated from persons or firms whose property situated in Lyon County (including any areas adjacent to Lyon County) suffered damage or other destruction as a result of the catastrophe above referred to:

Small Business Administration Regional Office

201 Metropolitan Building Second Avenue at Third Street Minneapolls 1, Minneasta

- 2. Special field offices to receive such applications will not be established at this time.
- 3. Applications for disaster loans under the authority of this Order will not be accepted subsequent to January 31, 1956.

Dated: July 22, 1955.

WENDELL B. BARNES. Administrator

[F. R. Doc. 55-6131; Filed, July 28, 1955; 8:45 a. m.]